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**Official Report
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(Hansard)**

F-29

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des débats
(Hansard)**

F-29

**Standing Committee on
Finance and Economic Affairs**

Fair Workplaces,
Better Jobs Act, 2017

2nd Session
41st Parliament

Wednesday 19 July 2017

**Comité permanent
des finances
et des affaires économiques**

Loi de 2017 pour l'équité
en milieu de travail
et de meilleurs emplois

2^e session
41^e législature

Mercredi 19 juillet 2017

Chair: Peter Z. Milczyn
Clerk: Eric Rennie

Président : Peter Z. Milczyn
Greffier : Eric Rennie

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CONTENTS

Wednesday 19 July 2017

Fair Workplaces, Better Jobs Act, 2017, Bill 148, Mr. Flynn / Loi de 2017 pour l'équité en milieu de travail et de meilleurs emplois, projet de loi 148, M. Flynn	F-1079
Niagara District CUPE Council	F-1079
Mr. Barry Conway	
Greater Niagara Chamber of Commerce	F-1082
Ms. Mishka Balsom	
Mr. Hugo Chesshire	
International Association of Machinists, Local Lodge 1922.....	F-1086
Mr. Jerry Jarosz	
Food and Beverage Ontario	F-1089
Mr. Norm Beal	
Christian Labour Association of Canada	F-1092
Mr. Ian DeWaard	
Interfaith Social Assistance Reform Coalition.....	F-1095
Rabbi Shalom Schachter	
Workers United Canada Council, Niagara Local 2347	F-1098
Mr. Mike Ward	
Great Wolf Lodge	F-1101
Mr. Keith Simmonds	
Mr. Damin Starr	F-1104
Brock University Faculty Association	F-1107
Dr. Simon Black	
Niagara Secondary Unit, Ontario English Catholic Teachers' Association.....	F-1111
Ms. Lisa Bowers	
Niagara Workers Activist Group.....	F-1114
Ms. Lisa Britton	
Mr. Bruce Allen	
Brock Golf Course Inc.	F-1117
Mr. Andrew Julie	
The Forty Public House	F-1121
Mr. Mark Wood	
Niagara Regional Labour Council.....	F-1124
Ms. Sue Hotte	
Ontario Network of Injured Workers Groups	F-1127
Mr. Willy Noiles	
United Steelworkers Local 2010.....	F-1130
Ms. Kelly Orser	
Tigchelaar Berry Farms.....	F-1133
Mr. Jeff Tigchelaar	
Labour Issues Coordinating Committee.....	F-1135
Mr. Ken Forth	

LEGISLATIVE ASSEMBLY OF ONTARIO

ASSEMBLÉE LÉGISLATIVE DE L'ONTARIO

**STANDING COMMITTEE ON
FINANCE AND ECONOMIC AFFAIRS**

**COMITÉ PERMANENT DES FINANCES
ET DES AFFAIRES ÉCONOMIQUES**

Wednesday 19 July 2017

Mercredi 19 juillet 2017

The committee met at 0934 in the Sheraton on the Falls, Niagara Falls.

**FAIR WORKPLACES, BETTER JOBS
ACT, 2017**

**LOI DE 2017 POUR L'ÉQUITÉ EN MILIEU
DE TRAVAIL ET DE MEILLEURS EMPLOIS**

Consideration of the following bill:

Bill 148, An Act to amend the Employment Standards Act, 2000 and the Labour Relations Act, 1995 and to make related amendments to other Acts / Projet de loi 148, Loi modifiant la Loi de 2000 sur les normes d'emploi et la Loi de 1995 sur les relations de travail et apportant des modifications connexes à d'autres lois.

The Vice-Chair (Ms. Ann Hoggarth): Good morning. We are meeting here this morning for public hearings on Bill 148, An Act to amend the Employment Standards Act, 2000 and the Labour Relations Act, 1995 and to make related amendments to other Acts. Each witness will receive up to five minutes for their presentation, followed by up to 15 minutes of questioning from the committee.

Just a reminder: This room is an extension of the Legislature. The same decorum is expected here. No clapping, cheering, heckling, and no political attire or material.

Are there any questions before we begin? Thank you.

NIAGARA DISTRICT CUPE COUNCIL

The Vice-Chair (Ms. Ann Hoggarth): I'll call the first witness: the Niagara District CUPE Council.

Good morning, sir.

Mr. Barry Conway: Good morning.

The Vice-Chair (Ms. Ann Hoggarth): Please give your name for the official record, and your five minutes will start.

Mr. Barry Conway: My name is Barry Conway. Thank you for the time today. I greatly appreciate it.

Today I'd like to try to speak on two points with regard to Bill 148. We'd like to push for greater card check that covers workers in all classifications in all industries, and we'd also like to make a push for what we in the labour movement call anti-scab legislation, or legislation around replacement workers.

I'll first speak to card check. I have some numbers from the Canadian Centre for Policy Alternatives. In 2014, 29.4% of workers were low-wage workers earning minimum wage or within \$4 of minimum wage. Also in 2014, 62.9% of minimum wage workers had hours that varied from workweek to workweek. Racialized workers had 30% lower unionization rates. Union density in Ontario, in 2014, for full-time employees in the public sector, was 70%, and 14% in the private sector. This is concerning. Allowing for card-check certification could increase the numbers of union density. Why this is important is—I'd like to refer to a period in time called the Great Compression. In North America, between the mid-1940s to the early 1980s, there was a high rate of union density. During this period of time, we saw the rise in the middle class and we saw less divide between what's now considered the extreme 1%. With the allowing of card-check certification, and allowing more folks to unionize—if we can increase the rates of unionization in the private sector as an attempt to bring back a middle class. Right now, we are sitting with a working class and a working poor.

Other things that allow for card-check certification: Once folks have the ability to unionize, they also have the ability to fight for fair contracts surrounding precarious work, which is one of the reasons why this bill has come forward. Folks would have the ability to fight for changes around scheduling and other improvements that go beyond what's being presented in Bill 148 around issues such as sick days and emergency days. This would hopefully allow for growth, again, back into the middle class.

The other thing I wanted to speak about was legislation around replacement workers. Currently, there is none in Ontario. Workers have the right, when unionized, to withdraw their services during a contract dispute. This is a right that has been upheld by the Supreme Court of Canada. It is a right that should be protected by this legislation—to not allow replacement workers to come in and work on other folks' behalf. Nobody goes on strike for no reason. People go on strike because there's unfairness in the workplace or there's growing income inequality. These are not steps folks take easily. So it is the responsibility of their government to protect workers who decide to go on strike.

Last year, the Peel CAS went on strike, and just so you know, during that, the Peel CAS brought in

replacement workers, paying them \$82.54 per hour—this was more than double the regular wage—paid travel, regarding air, train and car, to participate; hotel accommodations; meals up to \$45 a day; and incidental expenses of \$50 a day with no receipt needed. All of this was because the CAS workers were trying to fight for a contract that allowed for lowering the—

The Vice-Chair (Ms. Ann Hoggarth): Thank you, your time is up.

0940

Mr. Barry Conway: Okay. Thank you.

The Vice-Chair (Ms. Ann Hoggarth): This round of questioning will begin with the third party. MPP Forster.

Ms. Cindy Forster: Thank you, Barry, for being here. If you want to use another minute or two of my time, go ahead and finish your presentation.

Mr. Barry Conway: I appreciate that. I'll just finish on the anti-scab legislation. These were workers who were fighting to have lower caseloads in the CAS, which is the children's aid society, so that they could actually do a better job protecting vulnerable families in the community. Their employer, again, brought in replacement workers, allowing the strike to extend, doing a disservice to the community.

I appreciate the extra minute there.

The Vice-Chair (Ms. Ann Hoggarth): MPP Gates.

Mr. Wayne Gates: Good morning. How are you today?

Mr. Barry Conway: Good, thank you.

Mr. Wayne Gates: I'm going to touch on the anti-scab legislation as well. I was actually surprised and shocked that it wasn't included in the bill. We've got some really good examples even from down in this area, from St. Catharines. CarePartners—you may or may not be familiar with them—took a 10-month strike in St. Catharines. They brought in replacement workers. They put some of those workers up in hotels, and they also brought them in from all over Ontario. So to your point, I'm surprised that it's not in here.

But I want to say that I would encourage the government to revisit that issue. Some 98% of all work stoppages are settled without a labour dispute. It makes absolutely no sense to allow replacement workers—I know unions like to call them scabs—in the province of Ontario. I would encourage—not only from your presentation but from my comments—revisiting that. There is absolutely no reason to have replacement workers and scabs when unions and employers are able to sit at the bargaining table and get a collective agreement.

The thing about CarePartners was that it was a first contract, and all they were trying to do there was break the union. It was unfortunate. I think your presentation is right on the money on that particular issue. It should be stopped; it should be included in the bill.

If you had any further comments, that's fair.

Mr. Barry Conway: No, I appreciate that. It's one of those things too—you mentioned first-contract. There needs to be tighter legislation around binding arbitration for first-contract to avoid these strikes around that.

They're almost reminiscent of the recognition strikes from the 1940s that built off of the War Measures Act, 1005, to allow unionization, and again, allow that growth of the middle class, so I really appreciate that.

Mr. Wayne Gates: Thank you.

The Vice-Chair (Ms. Ann Hoggarth): MPP Forster.

Ms. Cindy Forster: Just to follow up on the CarePartners strike: This wasn't a situation where the company was in trouble. Actually, the owner of CarePartners walked away with about \$600,000 in wages the year of the strike, plus another \$350,000 in bonuses. These were mostly women, single mothers with children, who were forced out on a picket line for 10 months.

The other part of it, and probably more importantly, was the fact that this was about health care of seniors, and people being discharged from the hospital, and the impact that it actually had on the care of people in our community here, not only in St. Catharines but across the Niagara Peninsula and in the county of Haldimand. I think that it is really outrageous that this was allowed to happen with public dollars—because don't forget, even though it was a for-profit agency, it is all public dollars, all of our taxpayers' dollars, that actually are spent to provide home care and to provide care for people being discharged from the hospital. Do you have any comment on that piece?

Mr. Barry Conway: Yes. First, being a representative from CUPE, I'd like it to be recognized that across Canada our membership is 60% women. I think it's a growing concern that if we can unionize—again, it helps affect women and racialized workers.

Also, when we look at these types of situations, if you can improve these labour laws it goes a long way to improving conditions in society. It doesn't just affect the individual who has a fair contract; it affects the work they put out. They're a lot happier, so the folks receiving care receive a lot better care. It affects their mental health and their physical health and that then makes less strain on our health care system.

You mentioned, too, with the money involved, just as a general statement—

The Vice-Chair (Ms. Ann Hoggarth): Thank you. We'll move to the government: MPP Colle.

Mr. Mike Colle: Thank you very much. Barry Conway; right?

Mr. Barry Conway: That's correct.

Mr. Mike Colle: And you're with CUPE?

Mr. Barry Conway: Yes, I'm with Local 5167.

Mr. Mike Colle: And which workers do you represent?

Mr. Barry Conway: I actually represent the outside workers for the city of Hamilton.

Mr. Mike Colle: I can't hear you.

Mr. Barry Conway: I represent the outside workers for the city of Hamilton.

Mr. Mike Colle: Oh, the city of Hamilton; okay, outside workers, great.

Anyway, thanks for coming here, Barry. As you know, this is the first time in 25 years that the Ontario Labour

Relations Act has been updated. We're glad to have input from people. This committee is going across the province in an unprecedented way. Usually the committee goes out after second reading debate and so on, but because the changes are quite significant and some of them are complicated, we're going out early. We're glad for the participation of all of the good people here from Niagara Falls, to get your ideas so that we can make changes to make the bill stronger. So thanks for taking time out today, and thanks to your CUPE brothers for participating in this.

Mr. Barry Conway: Thank you.

Mr. Mike Colle: I just wanted to ask you one thing. Part of this initiative is to increase the minimum wage up to 15 bucks over the next two years. What are your thoughts on that?

Mr. Barry Conway: My friends asked me to put a quote in here, so I'm going to do that around the \$15 minimum wage: "Let's toast to the fact that I've moved out my mama's basement," said Canadian poet Drake, and let's toast to legislation that can ensure that many more can move out, too.

I'm a huge proponent of the raise to the minimum wage. I don't think it goes far enough in bringing people out of poverty. I think we need a living wage. But this is an excellent start, and I do applaud the current government for putting that into the legislation. I do think it could come sooner, but it's greatly appreciated, and it's a great start for our economy, for our province and for the workers in Ontario.

Mr. Mike Colle: Yes, thank you, Barry. The second question that I have—I'll pass it over to the member here from Trinity–Spadina in a minute.

The other thing you talk about is card-based certification. As you know, card-based certification was eliminated by the former Harris government. Then we allowed it to come back in 2003 in the construction sector, where it's been working quite well.

In the old days, people worked in one factory, but now people are very, very mobile. I know some people think we should have card-based certification across the board, but we have made significant proposals here to expand it to building services—people who clean buildings, maintain buildings—for temporary help agencies, which are growing, and also for the home care sector and health care, which is also growing there. Any comments on that expansion of the card-based certification system?

Mr. Barry Conway: Again, I applaud the government for putting this into the bill. I do think it's a great start. I don't believe it goes far enough. I think card-check certification needs to go across the board for all industries. I do understand the reasoning behind it with regard to mobility and those issues there, but even in sites that don't have that mobility, we still see campaigns from employers to intimidate workers from signing union cards and then, in between the time of the card-signing to the vote, do their own anti-union drive. That is not a proper process. That is a distaste to the democracy that this province represents. So again, I do applaud this

legislation for increasing the card-check certification, but I do believe that it should cover all sectors.

Mr. Mike Colle: Okay. Han?

The Vice-Chair (Ms. Ann Hoggarth): MPP Dong.
0950

Mr. Han Dong: Good morning, Barry. Thanks for coming and sharing your thoughts on this.

During the course of these hearings, we've heard, from time to time, people who make comments that there's a lot of protection for workers, so why are we making it easier for unions to certify? I want to hear your comments on that. Is there a need to make this process easier in terms of respecting the workers' choice to unionize?

Mr. Barry Conway: There is definitely a need. There's a need on the front line to respect this process so that workers can join a union. I think it should be recognized, too, that Ontario is a leading example with our arbitration system—

The Vice-Chair (Ms. Ann Hoggarth): Thank you. Sorry.

We move now to the official opposition. MPP Yakabuski.

Mr. John Yakabuski: Thank you, Barry, for joining us. I didn't see your name on the list, and when I heard the name "Barry Conway," I had to take a quick look, because I went to school with—I come from a small town, a village, of 1,100 people, and there was a Barry Conway—only one. So I thought, what are the chances?

Mr. Barry Conway: Sorry to disappoint.

Mr. John Yakabuski: You're not the guy. Anyway, thank you for joining us this morning and representing your views here.

You talked about a couple of things that you wanted to see some changes on, some enhancements. One was the card-based certification, where you wanted to see that extended to the broader sector and not just the few sectors that they're talking about in the bill. You also talked about replacement workers.

If there is an amendment to the bill, it's only going to happen if the government supports it. You do understand that they have the majority, so it's up to them to make any changes to the bill, should they desire. If those changes aren't made, it would clearly indicate that the government does not desire to move ahead with those.

On the replacement worker legislation, or not allowing replacement workers, under the legislation, what is your view? Should that happen, is it your belief that there are less labour disruptions, more labour disruptions? Are settlements to the disruptions made sooner, or do they generally take longer?

Mr. Barry Conway: I personally don't think that we will see a rise in labour disruptions. As MPP Wayne Gates mentioned earlier, 98% are resolved without a labour dispute.

What I do think will happen is that it would shorten the labour disputes, because the pressure to negotiate a fair contract is then presented to both parties.

Like I said previously, nobody has a desire to go on strike. People are making ends meet already. It's a tough

decision by workers to make that vote to go on strike, and nobody wants to be out longer than they have to. Again, I think it's a tool used by labour to force a conversation at a table. In my experience, that's what has happened: There was a lack of conversation at the table.

Mr. John Yakabuski: Thank you—and I apologize. It's very hard to hear, actually, what other people are saying in this room. This is my sixth day on committee, and quite frankly, the sound is not what we might expect. There's a lot of reverberation and a lot of echo, which does make it difficult, Barry, to hear the other people speaking. I can hear myself, but I recognize that voice.

Mrs. Cristina Martins: Who doesn't?

The Vice-Chair (Ms. Ann Hoggarth): We all do.

Mr. John Yakabuski: Yes. They all do.

On the minimum wage, I see the government asked you about that issue as well. Here we are in Niagara Falls, which is clearly a tourist-oriented town. We've heard all across the province, Barry—and I understand. We've heard it from organized labour, and we've heard it from different groups, that they're very adamant that the move to the minimum wage not only should take place but, in their opinion, should have taken place previously.

But we also have to hear the side that says this is going to have a significantly detrimental effect on job creators not only retaining those jobs but certainly creating new jobs.

In a town like Niagara Falls, or a city like Niagara Falls—I apologize to the people of Niagara Falls—I'm sure we're going to hear that as well. We have a number of submissions today, but there's only a minimal number who could actually appear at the committee today.

One of the things that we hear repeatedly is not only from those who are directly affected, where their wages will go up directly as a result of the legislation, but the compression where people who are actually making more than minimum wage today, human nature being what it is—if I'm working at \$16 an hour and Joe, who just started, is now making \$15 an hour when he used to make \$13, just for the sake of comparatives, it's likely that I'm going to be saying to my boss, "Hey, Bob"—or whatever—"I've been here a long time. I want more money."

What is your view as to the potential for that happening on a repeated basis in businesses not only here in Niagara Falls, but all across the province? It makes it look like the government is trying to raise the standard of living for people, but using small business as the conduit and having them carry the greatest part of the burden. What would your response to that be, Barry?

Mr. Barry Conway: I do understand where you're coming from, and I think—

Mr. John Yakabuski: Pardon me?

Mr. Barry Conway: I said, I do understand where you're coming from, and I recognize that ultimately the government is looking for some harmony between labour and commerce. I think it's great—

The Vice-Chair (Ms. Ann Hoggarth): Thank you. Thank you for your presentation.

Mr. John Yakabuski: Thank you, Barry. We need more time in these places.

Mr. Barry Conway: We do.

The Vice-Chair (Ms. Ann Hoggarth): The deadline to submit a written submission to the Clerk of the Committee is 5:30 on Friday, July 21. Thank you.

Mr. Barry Conway: Thank you all again. I much appreciate the time.

GREATER NIAGARA CHAMBER OF COMMERCE

The Vice-Chair (Ms. Ann Hoggarth): Our next presenter will be the Greater Niagara Chamber of Commerce.

Good morning. If you could identify yourselves for the record, and then your five minutes will begin.

Ms. Mishka Balsom: Mishka Balsom.

Mr. Hugo Chesshire: Hugo Chesshire.

The Vice-Chair (Ms. Ann Hoggarth): Could you say yours again, please?

Ms. Mishka Balsom: Mishka Balsom.

The Vice-Chair (Ms. Ann Hoggarth): Go ahead.

Ms. Mishka Balsom: Good morning, committee members, staff and members of the public. My name is Mishka Balsom, and I'm the CEO and president of the Greater Niagara Chamber of Commerce. With me today is Hugo Chesshire, our policy and government relations manager.

The GNCC represents 1,600 organizations in Niagara employing 50,000 people and is the third-largest chamber in Ontario. The three principles guiding our advocacy are that policy decisions require to be evidence-based and data driven, that collaboration with key stakeholders is critical, and that no decision should be made in isolation of other departments and sectors.

The Vice-Chair (Ms. Ann Hoggarth): Excuse me. I'm sorry to interrupt, but could you just move a little ways back from the—okay, perfect. Thank you.

Ms. Mishka Balsom: All right.

Mr. John Yakabuski: A little bit more.

Ms. Mishka Balsom: A little bit more? You can hear me?

Mr. John Yakabuski: Yes. All right. There you go.

Ms. Mishka Balsom: Excellent. Okay. With those three principles in mind, I wish to speak to you today.

We understand the issues that Bill 148 is trying to address, and we appreciate the government's willingness to continuously improve policies to meet the changing demands. What concerns us is that this policy, particularly the minimum wage increase, has been decided upon without providing the necessary Ontario-based research and without quantifying the economic impact, especially the impact on unemployment and price inflation. The labour law reforms were proposed after two years of research and review. The minimum wage increase was not. We ask that the government hold itself to its own standard.

Policy is meant to be balanced. Neither the benefits nor the harms of this policy are evenly distributed. For example, there may well be more consumer spending in the local economy, but no consideration has been given to how consumer spending patterns have significantly changed over the past few years and are continuously changing.

Accommodation, food services and the retail sector are enormously important to Niagara as a tourist destination. There are 60,000 people employed in those sectors. Full-service restaurants in Ontario make an average profit margin of 2.1%. The pre-tax profit margin for accommodations is 9.5%. Retailers' operating profit margins are 4.9%. These sectors employ more people in Niagara than any other industries. Margins are simply not large enough to absorb increases so large and so rapid.

We have seen no evidence that the government is prepared to mitigate either the price increases or the potential unemployment that will result from this legislation.

The government of Ontario's 2014 report on minimum wage concluded that minimum wage hikes caused negative employment effects and that those were particularly concentrated among full-time permanent employees, women, immigrants, young people and recent entrants to the labour market. According to the government's own studies, every 10% increase in minimum wage will result in 3% to 6% increases in youth unemployment. That means thousands of unemployed youth in Niagara.

1000

It also found that larger increases caused proportionately larger negative effects. Your report confirms our concern, but Bill 148 does not acknowledge the government's own findings, or more importantly, it does not address them.

The pace of change is also a significant setback in this policy. Seattle has decided to phase in a \$15 minimum wage over four years, California over five years. Ontario will do the bulk in seven months. In addition, this policy comes on top of the expenses of cap-and-trade, increased pension contributions, rising electricity prices and more. These pressures are all cumulative. We must also consider not just the staggering public debt load in Ontario, but the equally alarming level of private debt, the greatly overheated housing market in the GTA and the possibility that NAFTA will be amended or even repealed.

The government must do something to relieve the pressure on business. The government of Alberta has cut the small business tax rate from 3% to 2% in compensation for the minimum wage hike. Alberta has also created an SME support program, provided more capital for ATB Financial and Alberta Enterprise, reinstated their Summer Temporary Employment Program and much more. The government of Ontario is proposing nothing. We ask the committee, if it recommends this policy, to also recommend measures such as these which will reduce the harm inflicted on Ontario's businesses and preserve jobs.

Thank you very much.

The Vice-Chair (Ms. Ann Hoggarth): Sir, are you going to speak?

Mr. Hugo Chesshire: No. That was our presentation.

The Vice-Chair (Ms. Ann Hoggarth): Okay. We'll move to the government for this round. MPP Colle

Mr. Mike Colle: Thank you for your presentation. As you know, this bill is travelling the province to listen to people, individuals and organizations, like we heard from the chamber of commerce from Kitchener yesterday, from Cambridge. So we really welcome your ideas.

The only thing I'm struck by is just your negative pessimism about Niagara and Ontario. You make it sound as if we are in some kind of a recession or something, but on the other hand, I know that Ontario leads the G7 in growth. Of all the European countries and America, we're the leader in economic growth. We're the number one destination for foreign direct investment. Unemployment rates are going in the right direction: They're getting lower. So it's not all bad.

I just think we've got to promote our cities, like Niagara Falls, which is an incredible iconic city, and our province. We've got great people here. I'm just surprised that the chamber would not be more—and I can understand. The criticism, we accept, because that's why we're on the road: to get input and ideas on how to make it better.

What I do like is the fact that you said, "Here's what they did in Alberta. They lowered the business tax rate." That's what we're looking for. We're looking for criticism, but I just find yours a bit too one-sided for a chamber of commerce.

Maybe you want to respond to that.

Ms. Mishka Balsom: I appreciate your question. I think the position we're coming from is saying that actually our province is vulnerable, because we are part of the Ontario Chamber of Commerce. If you've taken a look at the economic report which was done in conjunction with the Canadian Centre for Economic Analysis and has specifically looked at the prosperity that exists in Ontario, much of the prosperity there actually comes from non-production activities. What we're not seeing is that prosperity comes from the production of goods and services, but where it comes from is better financing, savings, costs and other areas offered. So that makes us look very good at this point in time, but it puts us in a very vulnerable position at the same time.

We see consumer activity being up, but let's take a look at where consumer activity is up. It's up actually in areas that are paying more for hydro, housing, gas and other areas offered, so it does look like consumer activity is high, but it's due to the costs of living that are really high. So there are factors that we need to take a look at. We can't address one issue in isolation of other issues that are there.

What we're asking this government to do is to take that into consideration.

Mr. Hugo Chesshire: The answer I would give as well is that if the economy is doing very well and GDP growth is high, then why would we need to raise

minimum wage? The answer, of course, is because that growth is not evenly distributed amongst all workers and some people are getting left behind.

That analogy is also true for business. We've heard your stance on the profit margins in some of the sectors that will be the most affected by this minimum-wage legislation. I also want to note that those profit margins in Ontario are among the lowest, if not the lowest, in Canada. It is not true that all sectors and industries are growing equally with the economy. Our worry is that some of the industries that are being left behind, that are not doing as well, will be the most affected by this legislation, and thus there will be more left behind.

Mr. Mike Colle: On the other hand, if a person goes from \$11 or \$12 an hour to \$15, these people are going to spend the money locally, in the local Niagara Falls economy. They're not going to go to the Cayman Islands; they're not going to go offshore. They're going to spend the money in the local stores, restaurants, bars and grocery stores. They're going to spend their money locally. That money is going to be put back into the local economy by these people who, right now, are in a very difficult situation because there is income inequality in Ontario.

There are a lot of people doing very well, and that's great. But there are a lot of people who want to work. Some 1.6 million Ontarians are working hard, but they're working just to make ends meet. They're falling behind because they can't get by on minimum wage the way it is right now. So we're saying at least let's try to help them. It's not going to be the solution, but we'd rather have them working than going on social assistance. That's one side of it.

As I said, it's not as if it's a panacea. But there are people who are willing and able to work, and they're saying, "Please, just give me a bit of a lift in my wages, and give me some more labour protections so I can take a sick day off and I can get equal work for equal pay." That improves the standard of living—

The Vice-Chair (Ms. Ann Hoggarth): Thank you. We'll move to the official opposition. MPP Yakabuski.

Mr. John Yakabuski: Thank you, Mishka and Hugo, for joining us this morning.

I was, quite frankly, a little surprised at the attack on the part of the government on the chamber, whose job it is to represent their members. If they wanted the chamber to do their spinning points, maybe they could have consulted the chamber in advance of bringing forth this legislation. Perhaps they could have done an economic impact analysis, which the chamber has been calling for since the introduction of this bill, because the minimum wage increase was never part of the Changing Workplaces Review.

The other side of it is, of course, that they love to spin their alternative facts that Ontario's economy is in great shape, but we hear stories every day that would lead you to question that assertion. The government can say whatever they want, but the numbers do not bear them out. For all those years, we were much above the national

average in unemployment. We had a few good runs, and now, all of a sudden, life is perfect in Ontario.

When they talk about raising the standard of living, where were they for the last 14 years? In February, the Premier, quite frankly, said the process they had in place of dealing with the minimum wage was exactly right, in which we tied the minimum wage to the consumer price index. But lo and behold, we're into an election year—we're a year away from an election—and, all of a sudden, they're out trying to buy the votes of people across Ontario. I was quite surprised at those kinds of assertions.

I did want to get your response to that, if you choose to. I can understand why you wouldn't want to, either. But please, if you would respond to why the government is attacking the chamber, when they never consulted the chamber on these changes.

Ms. Mishka Balsom: We spoke early on about our principles. We believe that policy changes should be data-driven and evidence-based. I think that the best decisions are being based on those things, and I think we are missing it in this particular one.

It's a consistent message from all chambers across Ontario, that we would like to see some data. All governments in the past usually relied on data. In this particular case, we're missing that economic impact that this will have. We, as a chamber, in partnership with the Ontario Chamber of Commerce, are looking at that and are going to release a report by the end of August, to take a look at the impact it will have. I think we need to measure it.

It also speaks to the second point of looking at one issue in isolation from another. What is really the mandate of it? Are we trying to reduce poverty by increasing wages? On one side, we look at it, but the government is saying that is actually not what really happens in this case. The majority of households that are living in poverty are not employed people. The majority of minimum wage earners are actually youth who live in a household that is not labelled a poor household.

1010

So I think we do need to look at this issue in a more complex fashion than the way it's being addressed right now. That's what we've been asking for and that's what our members are asking for.

Mr. John Yakabuski: Thank you. I'll turn it over to my colleague, Mr. Oosterhoff.

The Vice-Chair (Ms. Ann Hoggarth): MPP Oosterhoff.

Mr. Sam Oosterhoff: Mishka and Hugo, thank you so very much for coming forward and also for all the work that you do for all of the business community here in Niagara. I really appreciate that.

I had a question going back to the member opposite's point about all the local spending that he believes will be pushed forward by this increase. I've heard different approaches to this, and I'd love to hear what the chamber believes. I've heard some concerns that the reality is that in the 21st century, a lot of people are actually spending this money overseas on online shopping. They're not

spending it in the local mom-and-pop shops like we like to think. Could you speak to that?

Ms. Mishka Balsom: Yes. I think this is where we actually need more data on it. It's right: In the 1950s, 1980s, 1990s, maybe it was actually spent in the local economy, but today's spending patterns from consumers have significantly changed. We do it on our smartphones. We buy from China. We buy from across the world. It doesn't mean that our local store down the street—it's just a small business, which is 98% of businesses in Niagara—is going to benefit from that increased consumer spending, or the potential of increased consumer spending.

These are the things that we're looking at, saying that if we're making this change, how is it going to impact the end consumer? How is this going to impact us as an economy? I think we have every right to ask those questions. We have every right to ask those questions on behalf of our members, who are asked to make and spend this money.

I think that this is where we're looking at it and saying that we need more data; we need more evidence on it. It's the responsibility of the government to provide that.

The Vice-Chair (Ms. Ann Hoggarth): Thank you very much. The deadline—

Ms. Cindy Forster: Ahem.

The Vice-Chair (Ms. Ann Hoggarth): Oh, sorry.

Ms. Cindy Forster: You're doing it again.

The Vice-Chair (Ms. Ann Hoggarth): I know. I tried again. The third party: MPP Forster.

Ms. Cindy Forster: Thank you, Mishka and Hugo, for being here today.

I want to assure Mr. Colle that in no way is the Niagara chamber pessimistic or negative. That's not to say that I don't support the minimum wage; we certainly do. We've been on record since 2016.

We have a very unique situation in Niagara. Just a very few years ago, we were at the top of the pile in terms of unemployment rates, close to 15% at one point in time. We've clawed our way back up to—I think it was around 8% in the June stats. Yesterday in the newspaper, we were looking for people to fill some of our hospitality jobs here in Niagara. However, in other sectors, we have higher unemployment rates.

We also have a huge transportation problem that we're working through here in Niagara, and I'm sure Hugo or Mishka will talk to that. We don't have totally regionalized public transportation here, so to get folks from Fort Erie or Welland to 60,000 jobs in Niagara Falls and Niagara-on-the-Lake is a struggle. The region is working on that, but one of the things the government could do, as Andrea Horwath has suggested—if elected—is to move back to a 50-50 system, where the government is funding a bigger portion of public transportation. We also have the issue of the GO train. Let's move the GO train up faster. Instead of doing it in 2021 or 2019 or whenever that is, let's move it up and make sure that we can actually get people here to fill the vacant jobs as well as create some more jobs in Niagara.

If you'd like to comment on that.

Ms. Mishka Balsom: Yes, I fully agree. One of the challenges that we have here in Niagara is the transportation system, which has been pointed out. If you want to be employed here, you need to own a car. That adds significantly to your living costs.

It was established what the living wage in Niagara would be, but if you would have a sound transportation system that was there, it would actually reduce that living wage from \$17 by \$2.

The other aspect of it is taking a look at how many single parents are in a very challenged position, and that comes back to child care.

The cost of living—what we're trying to do, so that people have more spending money—and we support and the community supports. But there are all these other facets that are being impacted by it, and they're not being taken into consideration.

The Vice-Chair (Ms. Ann Hoggarth): MPP Gates.

Mr. Wayne Gates: I want to say very clearly, I work with all the chambers in my riding and have for a long time. I've met with the chambers a number of times. I actually enjoy going to their hospitalities once a month for a couple of hours.

I want to comment on one of the comments that was made by the PCs on the minimum wage. Let's not forget: When the PCs were in power for eight years, they didn't raise the minimum wage once, even though inflation went up, and that has caused a problem as well. If we would have kept up with inflation on the minimum wage, we might not be faced with some of the crises we have today.

The second thing: I'm disappointed that they even raise Niagara Falls, but if they want to raise Niagara Falls, then I'm going to brag about Niagara Falls. I talk to the hotel owners, I meet with the hotel owners—even this week—and Niagara Falls has had the best year they've had in years. They had their best year last year, but they're better this year than they were last year. We're doing so well in Niagara Falls that they had trouble getting employees to work in our hotel industry. Niagara-on-the-Lake has gone from two million visitors up to almost 3.1 million visitors now. We have people with a pretty good reputation, and you might have heard of them—Wayne Gretzky opened a winery in Niagara-on-the-Lake. Fort Erie: We have our beautiful racetrack, and we continue to work with the government to make sure we prosper down in Fort Erie with the stuff that's going on. So Niagara Falls is doing well. And you have to ask yourself, why are we doing so well? The reality is that our dollar is where it should be. We should have a dollar somewhere between 75 cents and 80 cents. As our lower dollar obviously happened—we had a high artificial dollar in the province of Ontario and right across Canada. It was an oil-driven dollar that put it up to a \$1 or \$1.10 at one time, if you can imagine, and that hurt our tourism industry. NAFTA hasn't helped us. There are a lot of reasons why we were having trouble in Niagara Falls and had the high unemployment that my colleagues talked about. But things have turned around in Niagara Falls,

they've turned around in Niagara-on-the-Lake, and they've turned around in Fort Erie. One of the reasons why they've turned around is that we've had the opportunity to work with the chamber and say, "How can we make improvements? Where do we need help? Where can we go?"

On this particular bill, obviously, we have to have committees, we have to have all that stuff, to find out exactly where we have to go on the bill for the province of Ontario so that it's in the best interests of workers, families and communities.

If you're going to come here and talk about Niagara Falls, let's talk about the positive things about Niagara Falls. Working with the chamber is one of the positive things that happened in Niagara Falls. I just wanted to make sure I got that out.

The Vice-Chair (Ms. Ann Hoggarth): Thank you for your presentation. The deadline to send in a written submission—it needs to be the Clerk of the Committee by 5:30 on Friday, July 21.

INTERNATIONAL ASSOCIATION OF MACHINISTS, LOCAL LODGE 1922

The Vice-Chair (Ms. Ann Hoggarth): Our next presenter is the Machinist Union Local 1922.

Sir, please identify yourself for the record, and your five minutes will begin.

Mr. Jerry Jarosz: Good morning. My name is Jerry Jarosz. My wife and I own a small jewellery business. I'm grateful that the committee is having these engagement sessions where, together, we can fine-tune the laws of Ontario and allow our economy to expand and workers to keep working. Full-time, I'm a planner at Magellan Aerospace, where we manufacture, repair and overhaul General Electric jet engines that keep our Snowbirds and CF-18 Hornets flying and protecting Canada. I am proudly elected as vice-president of Local Lodge 1922, which is celebrating 70 years with the International Association of Machinists and Aerospace Workers, also known as the IAM.

At this time, I want to state that union members and officers currently act as labour law enforcement and inspectors within unionized workplaces, to the extent we can, as individuals. But we also have access to legal opinions and many years of experience from union leadership.

I am asking our government to repeal the mandatory certification vote system and extend card-based certification equally to all employees and all sectors, expanding beyond construction, home care and temporary workers. I ask that you extend successor rights for all contracted services. Bill 148 should provide automatic access to first-agreement arbitration. As well, I believe all employees should receive the same minimum wage—and stop the discrimination of server and student rates.

Because of my volunteer work with the Ontario Federation of Labour and the Make It Fair campaign, I feel I'm representing many residents of southern Ontario.

I have listened to and spoken to hundreds of people, union and non-union, at community events, where I carried out precarious employment surveys and had petitions and postcards signed for MPPs. The change I ask for today is coming from these citizens as well as from my own experience.

1020

Just a little bit of history about myself: Shortly after finishing university, I worked at Ford's automotive assembly plant. Dreadfully, the F-150 truck plant closed, moving work to Detroit, at the same time eliminating 1,400 jobs, including my own.

Forced to reinvent myself, I enrolled in a full-time course for CNC machining, inspection and programming. This led me to a job at a machine shop with approximately 300 employees in Ontario and several plants in Mexico and the USA. I was tasked to operate two CNC machines, making tight-tolerance parts for robotic and aerospace industries, including parts for Bombardier landing gear and the neuroArm, a neurosurgery robot developed at the University of Calgary.

My first 88 hours were unpaid and called "co-op." During this time, I was living on employment insurance emergency funds of \$150 a week. It took four more weeks to find out my actual wage. I received \$11.50 for doing that kind of work.

I want to shine a light for the committee on the fact that people in trades and STEM jobs are also affected by low and minimum wages.

At that plant, the only way to get a raise was by quitting, and I learned this early. We had an ongoing joke that you can't quit forever. Working under those conditions, when you're looking for other work and having to find another job, knowing that this is going to pay for you to live, is terrible. I quit three times at that plant.

The other increase came when unions were organizing—a bribe, you could say. We never organized or went to a vote, but employees got some benefit, as the company had to look a little bit better than a union business.

I was given verbal warnings for disclosing my wage to a co-worker. A friend, Vito, was sent home for selling chocolate-covered almonds for his kid's school fundraiser. He was suspected of involvement in a union drive. Our foreman, aware that the ministry was coming, would order us to replace safety interlocks on machinery. We knew this was not right or lawful, but we had nowhere to turn. A 26-year experienced employee was let go without reason or severance, only to be recalled when he sought legal counsel.

In my current plant, unsafe equipment gets repaired or replaced. No one is expected to operate these machines. The right to refuse unsafe work is exercised. It's not just a law on paper.

For these reasons, I want the government to expand card-check certification. I feel that a passport becomes a passport when you put your signature on it, and a credit card becomes a credit card when you put your signature on it. If I hit "accept" or "next" on a software package, I sign a legal agreement. But yet a union card being signed is not accepted as a document.

The Vice-Chair (Ms. Ann Hoggarth): Thank you, sir. The first round of questioning will be with the official opposition. MPP Yakabuski.

Mr. John Yakabuski: Thank you, Jerry, for joining us this morning and also for passing on some of your personal experiences in your labour career.

You touched on a couple of things. One of them is plant safety, or worker safety in general, which obviously is of high importance. My son is a member of the 27 in Toronto; he's a carpenter apprentice. I don't know how many times I've talked to him about making sure that you go home safely at the end of the day. We all support that.

We support the right of every worker to organize. That is a constitutional right. How they go about it differs in some jurisdictions versus others.

You talked about an experience here that clearly—and we recognize that they're out there. There are employers out there who have poor labour practices; we recognize that. That's regrettable and that's unfortunate. I think the most successful companies, whether they're unionized or not, are ones that treat their employees with respect and work together.

We had a very good submission from the carpenters' union last week talking about how it's important for their companies to be successful in order for their workers to be successful. We recognize that, and I appreciate your bringing that to our attention. There are an awful lot of good companies out there too that treat their employees very well; not as a result of duress, but as a result of the fact that they're honest, fair-minded people that want to treat their workers properly.

You've talked about a couple of things here, like the card-based certification. As I've said to others, it is a decision that will rest upon the government. They're extending it to selected sectors in this bill. It is up to them if they want to extend it further. I would suggest that you put forth a suggested amendment to the legislation, which has to be at least considered by the committee. If it's part of a submission, this committee has to consider it.

Other than that, you didn't comment on the minimum wage but we've heard that all across the province as well. Do you have any concerns about the impact that this could have on small business across the province of Ontario?

Mr. Jerry Jarosz: As a small business owner, I understand there is a lot of cost involved in running a business, and all kinds of costs are going up. We hear a lot of people come up here and step up and talk about wages, and it seems to be the one place where they seem to be able to get a cut.

Where was business when we were privatizing hydro? Where is business when taxes are going up or bank interest rates are going up? It seems like they don't have an influence on those other costs, but they think they can take it out on the backs of their workers. I think this is just symptomatic of how much we've fallen behind. Along with union density going down, I think we basically ended up with the economy where we are at. A

lot of businesses rely on minimum wage employees and the lowest costs to do business.

Right, wrong or indifferent, I think it's difficult for anybody. But putting up the minimum wage, I think, is setting the bar higher, and not just for people who have and own a business, but for the future. I have nieces and nephews who are living in St. Thomas. I want those kids to be able to get decent-paying jobs. I don't want them to face a point where they go to university in Canada, and they go to work in the United States.

San Francisco can pay \$15 an hour; Seattle has a booming aerospace industry. We speak of how aggressive our increase is in minimum wage, yet in the States, they're going up by 67%. San Francisco went from US\$9 to US\$15. With the current exchange rate, that's approximately \$19 Canadian.

There's precedence. Yes, it's an aggressive move because it wasn't done for a long time. So if we fall behind for 20 years, it seems aggressive now. If we were keeping up with everything during that time, I don't think that move would seem aggressive, specifically knowing that the living wage in Niagara is probably closer to \$18 an hour.

Mr. John Yakabuski: Thank you very much, Jerry, for your presentation today.

Mr. Jerry Jarosz: Thank you.

The Vice-Chair (Ms. Ann Hoggarth): We'll now move to the third party: MPP Forster.

Ms. Cindy Forster: Thank you, Jerry, for being here today. This is the eighth day of hearings. There's been a suggestion by the official opposition that if you have to go to a secret ballot vote to elect your government officials you should have to go to a secret ballot vote to elect your union. I liked your analogy, actually, that you can get a credit card and you just sign on the dotted line and you get it, or you can go online and sign up for Facebook, you accept and you're part of that group. So why should there have to be two steps for workers in this province?

The bigger problem that we've heard from a variety of people—and it wasn't just from labour. It was from community health centres; it was from poverty groups representing vulnerable workers; it was from the Workers' Action Centre. The fact is that the government isn't making it easier, except for a couple of sectors of workers in this province, and there are many more sectors of vulnerable workers in all kinds of fields: in IT, in retail, in a number of places where they're going to have to jump through hoops as well and have that impact of that five-day window from the date that they file their application to the date they actually vote, which often scares off a lot of people when there is intimidation by some employers. Can you comment on that?

1030

Mr. Jerry Jarosz: Well, I keep hearing that the employers have such a short time to react once you have a certification vote starting, but to me, an employer shows themselves from day one, and every day of employment. They have the right to represent themselves.

Whether it's through pay or the way they put up shifts or assign work, they're showing employees that they're a good company and they don't need to seek unionization.

Now, most union organizers would tell you that, in fact, wages and pensions and these kinds of things are not top of the list when people are wanting to organize. When they want to organize, usually there's something going on that's deeper, whether it's mistreatment or they don't get enough shifts or they're getting preferential treatment. They're just not feeling equally represented.

Again, what I'm asking, and the OFL, and what I hear from people, is that we want to get everybody treated equally. If a certain group can sign a card and get a union, why can't another group do the same thing? As a union organizer, it's not an easy job to do that. You don't just go into a parking lot and get all these cards signed and everybody is hunky-dory. It's difficult work.

The way we have it now, I think, is discriminatory. You're doing votes at a plant where the boss is seeing who is going into the booth and who is not going into the booth. I don't think the vote is counted. I think if you don't show for the vote, you're counted as a no.

Ms. Cindy Forster: It's not counted.

Mr. Jerry Jarosz: Not counted at all?

Ms. Cindy Forster: Not counted at all.

Mr. Jerry Jarosz: Okay. Toyota came up with 900 extra employees, after the fact—out of nowhere. So the numbers could be fudged. I don't go to Stephen Harper's house to vote for my MP. There are lots of reasons why this isn't democratic. I don't see it as a democratic system the way they're voting currently.

You can go on YouTube. You can find Lowe's and Walmart videos on how not to let a union in your plant. They're training their managers and telling their employees—they have 1-800 hotlines. There are orientation videos that show new employees how to avoid unionization. The productions are created by companies like Lowe's and Walmart, and they ask employees to call the 1-800 hotline if they suspect a union drive. That signals to employees that union organizers are at work, hearing words like "dignity," "decency" and "respect." That's from the video. So if you're a Lowe's employee and you heard the words "dignity," "decency" or "respect," you should call the 1-800 hotline because there might be a union trying to come in to Lowe's.

We're up against a lot of negative and subconscious-level stuff. Like I said, when Vito got told to go home because he was selling chocolates for his kid, it was something that said, "Okay, nobody's going to do anything now. Nobody's going to mention the word 'union' or anything because you're going to be sent home." He got his pay back when he came back from the school with a letter that said this is a charitable thing he's doing and this is how the school organizes and allows the kids to have these afterschool extracurricular activities. But that's what people face on the floor all the time.

The Vice-Chair (Ms. Ann Hoggarth): Thank you, sir. We'll move to the government. MPP Rinaldi.

Mr. Lou Rinaldi: Thank you, Jerry, for being here.

Interjections.

Mr. Lou Rinaldi: Here we go. I'm now electrified.

Thanks for being here today to present. I must congratulate you on using your own personal experiences to describe some of the issues within the bill, because I tend to be the type of guy that's down to earth. I've got to feel, see and touch, and you can express it best when you experience those things yourself.

By examining the proposed legislation that's in front of us, which I'm sure you did, based on your comments, you know that the legislation hasn't been touched for over 25 years. A lot has happened, not only in Ontario but all over the world, in the last 25 years—I would say in the last couple of years, after the economy had tanked back in 2008, 2009 and 2010.

You touched on a number of issues in your presentation. You know that we're doing this after first reading to get input from the public, in general. I would suspect that there will be some amendments after this. Can you give us some sense, of all the things you talked about today—and I don't want you to go through them all again, and if you don't have them here today, maybe you can send them to us in writing. What are some of the changes that you want to see, in some kind of priority? What are the things that you're really keen on, that are important to you, that maybe are not even included in the bill and that maybe should be included? If you could talk about two or three of them, and then if you've got more to expand on, you could send them to us.

I think my colleague has a question as well.

Mr. Jerry Jarosz: For me, the first thing is card-check certification for everybody. If we can get unions in there, we don't have to hire 170 inspectors. We have people who are going to get involved in the system. They're going to build business. As a union, I'm not there to stand against business. We know it's a symbiotic relationship. Politicians need voters. Voters need jobs. Employers need workers. We're all working together, right? Again, it's just pushing forward that this has got to work for another 150 years. It's not just us and it's not just an owner and it's not just a businessman. So card-check certification for everybody equally, back to what it was, I think is my optimum best step, because I can see that that's going to make the most differences to people's lives.

The minimum wage: I'd like to see it even for everybody. I'd like to see servers and students make the same kind of wages, because when do you cut off who is a student? When do you decide? If you're going to college in your forties, are you now a student? If you're a server and you're dependent on tips to make a living—there was a gentleman who presented a few days ago who said that his servers are making \$30 an hour with the tips. I challenge him to pay them \$30 an hour and keep the tips. I don't think he would go for it.

At the same time, when you increase those wages, all these people are putting more money into CPP; they're paying more taxes; they're maybe putting a down payment on a house or upgrading from a transit pass to an automobile. On the way here, we paid \$15 for two pieces

of bacon each, two pieces of bread and two eggs. The lady who was serving us was making \$15 because she's a manager of the place, and she's raising two kids. So it's not always what it seems.

The Vice-Chair (Ms. Ann Hoggarth): MPP Dong.

Mr. Han Dong: Thank you, Jerry. I like your comment on the minimum wage.

You mentioned that you worked for a company and you were earning—was it \$11.50 an hour?

Mr. Jerry Jarosz: Yes.

Mr. Han Dong: It took you quitting three times to get a raise. How long ago was that?

Mr. Jerry Jarosz: I started there in 2005. And you had to go; you had to have the door, right? It wasn't just a bluff. You had to go and do interviews and get another job, and they would upsell that job.

Mr. Han Dong: Did the company go bankrupt after?

Mr. Jerry Jarosz: Oh, no, they've expanded; they're booming. They actually got bought out, I think, three times since I was there. They merged. They moved to Pickering. They're now owned by PCC, which is Berkshire. Warren Buffett's company brought them in, so they're very profitable.

Mr. Han Dong: They're doing very well.

Mr. Jerry Jarosz: Yes, and now I make double the money at a different machine shop.

Mr. Han Dong: Okay. So the other thing is that the Ontario government is planning to hire another 170—

The Vice-Chair (Ms. Ann Hoggarth): Thank you. The deadline to send a written submission to the Clerk is 5:30 on Friday, July 21. Thank you, sir.

FOOD AND BEVERAGE ONTARIO

The Vice-Chair (Ms. Ann Hoggarth): The next presenter is Food and Beverage Ontario. Good morning, sir.

Mr. Norm Beal: Good morning.

The Vice-Chair (Ms. Ann Hoggarth): If you would state your name for the official record, your five minutes will begin.

Mr. Norm Beal: Thank you. My name is Norm Beal. I'm the CEO of Food and Beverage Ontario. Thank you, Chair, and thank you to members of the committee for inviting us to appear today. As I said, my name is Norm Beal. I'm the CEO of Food and Beverage Ontario, or FBO.

Today I'm here to talk to you about Bill 148, An Act to amend the Employment Standards Act and the Labour Relations Act, and the serious risks these changes pose to the future of the agri-food sector and more specifically the food and beverage processing industry here in Ontario.

FBO represents food and beverage processors of all sizes from across all subsectors in Ontario. Our mandate is to promote and support our industry in Ontario, across Canada and, increasingly, around the world.

1040

For decades, our members have contributed to local economies and communities across Ontario by building companies, creating jobs and supporting primary agri-

cultural industries. The Ontario food and beverage processing industry is comprised of over 3,800 businesses, largely small, family run, led by decent people who want nothing more than to create jobs for the exact people this bill purports to help.

We directly employ over 130,000 Ontarians, more than any other manufacturing sector in the province, and the number of people on our payroll is three and a half times larger than auto manufacturing. We generate almost \$42 billion in total economic impact and we purchase over 65% of the province's agricultural outputs.

I must begin by stating that if Bill 148 is enacted in its current form, the cost to operate our businesses in Ontario will substantially increase to unsustainable levels, putting thousands of Ontarians out of work while we import our food from more competitive jurisdictions south of the border and abroad.

On October 7, 2013, the Premier challenged the agri-food industry to create 120,000 new jobs in the province by 2020. While this goal was laudable and a strong recognition of our industry's strategic importance, we all accepted that a strong government-industry partnership was critical to achieving this success. Industry needed to invest in innovation and improved productivity while government needed to break down barriers to growth by reducing regulatory burden and putting measures in place to enhance our industry's competitiveness.

Since this aspirational target has been in place, food and beverage processors have made hundreds of millions of dollars in new capital investments and are producing new and exciting products every day. We have strived to play a leading role in ensuring the food Canadians eat is healthy and safe. At the federal level, we are strongly encouraged that the Prime Minister's top economic advisor, Dominic Barton, has highlighted the agriculture and food sector as one example where Canada has the potential for substantial growth and export improvement and the opportunity to become the trusted global leader in safe, nutritious and sustainable food for the 21st century.

Unfortunately, our industry does not believe that this government has lived up to their side of the partnership. Since the fall of 2013, we have not seen meaningful efforts to reduce regulatory burden, and now most in our industry have put investment plans on hold due to the negative impacts that soaring electricity prices have placed on competitiveness and the unstable business environment that is created by legislation such as Bill 148.

FBO's recently updated industry economic impact analysis indicates that our sector's growth is now slowing dramatically. Revenues in our industry between 2012 and 2015 grew at a tepid rate of 3% over four years, the slowest rate since the great recession. This is at a time when many input costs to operate our businesses have increased by double digits.

The enactment of Bill 148 in its current form will damage our capacity to produce the safe and healthy food Ontarians have come to expect. Time does not permit me to go into detail, so I have included FBO's recent examination of the Changing Workplaces Review, along

with a letter we have written to the Premier that clearly outlines the negative effects that Bill 148 will have on our unique industry and our recommendations to mitigate these.

It is important to remember that we make food, not widgets. Our raw materials are perishable; much of our value-added products are perishable. There is biological content, and our business is often seasonal. When addressing issues such as changes to scheduling, temporary and foreign workers and personal emergency leave, Bill 148 assumes that one size fits all. I can assure you that in our industry's case, it does not.

Finally, our review of the bill has been conducted in the context of acknowledging that the economy is changing and the importance of ensuring fairness and prosperity for all Ontarians. After careful consideration, we believe we have made several constructive recommendations to improve Bill 148 that will safeguard a fair working environment with a continued commitment to producing the highest-quality and safest food in the world.

It is clear that the Premier recognized the potential of the agri-food sector when she launched the 120,000 jobs challenge back in 2013 and acknowledged that our industry is a strategic asset to Ontario's economic prosperity. We recognize that our success must be shared between government and industry and, even more importantly, between industry and all Ontarians.

The Vice-Chair (Ms. Ann Hoggarth): Thank you. Time is up. We'll start with the third party, MPP Forster.

Ms. Cindy Forster: Thank you for being here today. You said that you've made several constructive recommendations to improve the bill. Can you expand on that?

Mr. Norm Beal: You'll see that in the body of the very extensive report that we released several months ago and also the letter to the Premier—

Ms. Cindy Forster: I have about 200 of them to read at the end of this, so if you want to just give me the highlights, that would be great.

Mr. Norm Beal: It will be good if you have insomnia, I assume.

Ms. Cindy Forster: Yes.

Mr. Norm Beal: One of the things about Bill 148 is that we're making some of the most sweeping changes to labour reform and to minimum wage in the history of the province of Ontario. We have done zero economic impact analysis to find out the impacts that these changes are going to make. The one thing that makes our industry extremely nervous is the rate that these changes will come in to effect. As the Niagara chamber of commerce mentioned, we're talking about a substantial increase in minimum wage less than seven months from now. Businesses need time to adjust. They make decisions on capital investment, expansion decisions, decisions to move into other markets based on analysis that takes years. Major capital investments aren't made around the board table in 15 minutes; they're thought out, and they take into consideration all risk factors.

So here we are: We're going with an over 20% increase in minimum wage in seven months. Our businesses have no time to react to that whatsoever. The first thing they'll do is reduce jobs.

Ms. Cindy Forster: Okay. The second thing I wanted to ask you: Is there anything more that you could add to what the Niagara chamber talked about in terms of assisting a business as these minimum wage increases move forward?

Mr. Norm Beal: I appreciate the question. First of all, I've got skin in the game: I'm the CEO of Food and Beverage Ontario, but I'm also the owner of a winery in Niagara.

I grew up in Niagara; I'm a graduate of E.L. Crossley high school in Fonthill. I know the region well. In the late 1970s I had to move out of Niagara because there were no jobs. Manufacturing jobs in the Niagara region had completely dried up, so I moved out to Alberta and I got into the oil business, and I was quite successful. It allowed me to come back here and invest the money that I'd made in the oil industry into the Niagara economy.

Now, if the wine industry, frankly, didn't exist in the Niagara region, the Niagara region would be exactly the way it was back in the late 1970s when I had to leave. The wine and the agri-food industry in Niagara is the number one employment driver in this province.

So to add to what the chamber is saying, we really have to look at the businesses here in this region and support them, and make sure that one stroke of a pen doesn't wipe them out.

The Vice-Chair (Ms. Ann Hoggarth): Excuse me. Will you back away just a bit from the mike?

Mr. Norm Beal: Yes.

The Vice-Chair (Ms. Ann Hoggarth): Thank you. MPP Gates?

Mr. Wayne Gates: Good morning. How are you?

Mr. Norm Beal: Good, thanks.

Mr. Wayne Gates: A couple of your points I thought were good. I'm going to do three things, and then you can answer to all three of them, all right?

Mr. Norm Beal: If I can remember.

Mr. Wayne Gates: I'm sure you will. One, you mentioned hydro costs and how they're hurting you. Maybe could elaborate on that, because you kind of just went over that. From 2012 to 2015, it slowed to 3%; maybe you could come up with some ideas there. And one that I continually raise, and I raise it at Queen's Park quite regularly, is the effect that global warming may have on our wineries and our farmers over a number of years if we don't get a handle on protecting the environment. I agree with you that the wine industry continues to grow in leaps in bounds. I think we are, but we certainly have a lot more—a lot of good wineries have some great vision, particularly around processing in some of the smaller wineries. They're doing a good job there.

I know I asked you a lot, but I wanted to get those points out and get on the record that they are a concern.

Mr. Norm Beal: Sure, thank you for those very good questions.

Let's talk about hydro rates, first of all. Hydro rates for many of our members—small, medium and large members—have doubled in the last 18 months. One of our members is a company called Kisko Products. They make Freezies. His hydro bill in 12 months has jumped from about \$110,000 a year to over \$212,000. He can't absorb those costs. He's going to find ways—you've got to remember, our industry is a low-margin business. We're 2%, 3%, 5% on the margin side. All of a sudden, you have a 100% increase in one of your major input costs, and there's no way to absorb that. So basically what you do is you either lay off people, or you look to invest in either other parts of the country or other parts of the continent. That's the one thing that really scares me on hydro rates, is that—

The Vice-Chair (Ms. Ann Hoggarth): Thank you, sir. We'll move to the government. MPP Colle.

Mr. Mike Colle: Sorry, but some of the commentary you made I couldn't get clearly because you were too close to the mike.

Mr. Norm Beal: Sorry.

Mr. Mike Colle: I just wanted to get clear: You are also the owner of a company, did you mention?

Mr. Norm Beal: That's right. I'm owner of Peninsula Ridge Estates Winery, and I employ over—

Mr. Mike Colle: Which winery, sorry?

Mr. Norm Beal: Peninsula Ridge Estates in Grimsby.

Mr. Mike Colle: Oh, yes, okay. Peninsula Estates, okay.

Mr. Norm Beal: Available at your local LCBO.

1050

Mr. Mike Colle: Anyway, I appreciate your passion and obviously your commitment to not only your own wine sector, but also to the agri-food business. In many cases, sometimes, it's something that's taken for granted by a lot of people. They don't appreciate what goes on behind the food they eat and the wine they drink and so forth. That's why I'm really impressed with the presentation that you made, and also the background material that you put forward, and the suggestions. That's why we're having these early-onset hearings: to hear from people like you who represent a very significant part of Ontario's economy that should not be underestimated in any way, shape or form.

I'm just wondering about the wine industry, as an example. The impression I get is that it is an incredible success story, considering where it was in the days when it was a fledgling industry—Ziraldo and everybody, the early pioneers—and where it's come today.

Where is it at right now? Again, the impression I get—and I'm just a wine drinker and purchaser. As we all know, we certainly promote buying Ontario wines. They match with anybody's wine in the world now. So where is that at right now?

Mr. Norm Beal: Thank you for the question. As you know, it's very relevant right now because we're looking at renegotiating NAFTA. In the first NAFTA, the Ontario wine industry got thrown under the bus. We were one of the bargaining chips on the table at the time. Frankly, I'll

give credit to the Liberal government of the day, which recognized that it was thrown under the bus and was going to be completely wiped up. They came up with some very good legislation to support the rebirth of the industry, and that's what you see today.

The industry is growing. It's still challenged by market access limitations. We have one major customer—although, again, this government brought in grocery retailing for our industry, and that's been a huge shot in the arm. I thank you very much for that. We have lots of opportunity going forward. We're making some of the best products in the world right now.

Somebody mentioned global warming. That's going to have an effect on our industry. We're going to have to learn to adapt. It's probably going to move us more into a southern California mode of operation rather than a northern Oregon mode right now. We'll make those adjustments, but I have nothing but optimism and hope for the Ontario wine industry and its ability to create more jobs and be a continued economic driver for the Niagara Peninsula.

Mr. Mike Colle: Just to switch a bit to beer: I was in an Indian restaurant a couple of days ago. I was looking at their beer roster, and I noticed there were three new premium Indian beers they were promoting. I asked the waitress, "Where are these made?" She said, "Oh, they're made in London, Ontario."

The interesting thing I thought there was, "Now, there's a smart move," where they're basically bringing that brewing formula from India, creating jobs in London and then marketing here in Toronto. I thought that was a very innovative thing that they did, because I like eating and drinking local.

Mr. Norm Beal: This is the core of the success of the food and beverage industry in Ontario. We have new Canadians coming to our province, bringing with them all of their ethnic traditions, their ethnic foods and things like that. They sit around the kitchen table and they say, "You know, we think we could actually make these commercially, put them in the supermarket and sell them." I can think of Sarab Hans and the Hans family, who came over from India and started making Indian yogurts. Now they distribute through Loblaws, Sobeys and Metro. It's a very, very successful business. That kind of example is perfect.

Mr. Mike Colle: Yes, not to mention what's happened with the sales of lamb and goat, and what's happening with pita bread. Look at the pita's story of success. Who ever heard of pita? In the old days, it was just Wonder Bread, right? And then suddenly—

The Vice-Chair (Ms. Ann Hoggarth): Thank you. We'll move to the official opposition. MPP Barrett.

Mr. Toby Barrett: Thank you, Norm, for your work and your contribution in Niagara, which MPP Oosterhoff is aware of and appreciates, and your work for food and beverage processing seasonally, dealing with those agricultural products that are also grown and raised seasonally and subject to the vagaries of weather.

You made mention of the need for more study. These consultations are very good, but they're all piecemeal.

Someone has to pull this all together from a cost-benefit, risk-benefit economic analysis.

I have a second question, but I just wondered if—

Mr. Norm Beal: That's a very good comment and a very good question. As I said earlier, we are making the most sweeping changes to labour standards and labour reform and the minimum wage in the history of this province, and we can't take the time to spend \$100,000 to do a solid, independent business analysis to see what the impact is going to be on this province?

It's really interesting, if you watch the challenge that Obamacare has had in the United States. The Republicans have come out several times and come close to getting a bill and then all of a sudden, the Congressional Budget Office comes out and says, "This is the real impact it's going to have if you make these changes." We're not going to do that here in the province of Ontario on the most significant labour changes in the history of this province? To me, that's just remarkable. There's no business person I know who understands that we can do that sort of thing.

Mr. Toby Barrett: Actually, MPP Gates is probably seeing more of me lately than he wants to.

Mr. Wayne Gates: I actually enjoy your company.

Mr. Toby Barrett: We've been travelling, as you have, with respect to trade, primarily, cross-border trade. Bonduelle testified a few days ago—huge. They're on both sides of the border. In a sense, maybe it doesn't matter which side of the border they're on. You talk about value-added export and import replacement. You've been travelling on this file. We haven't heard much about this on the committee. Can you just tell us a bit, please?

Mr. Norm Beal: Thank you for asking. As you know, Minister Leal, the Minister of Agriculture, Food and Rural Affairs, just went on a major road trip to eight states. I had the opportunity to attend in four of those states. I met with 13 Secretaries of Agriculture to talk about the joint purpose that our industry has both south and north of the border.

I've got to tell you, everybody uses the auto manufacturing sector to talk about the transparency between the border. For a car made in Windsor, Ontario, parts travel back and forth across our border about six or seven times before the car is finally manufactured. That is very true of the agri-food sector as well. Bonduelle is a great example. Products travel back and forth, raw materials, from there to here, where they're processed and then shipped back down for those markets.

I was with the minister in Harrisburg, Pennsylvania. We went to Blommer chocolates. We pulled into the parking lot. There were five semi transport trucks getting ready to load raw processed chocolate to send up to the Campbellville plant to be further processed—

Mr. Lou Rinaldi: Campbellford.

Mr. Norm Beal: Campbellford, yes, sorry, Campbellford—to be further processed and then re-exported down to the United States. So that's where your relationship is extremely important.

What we need to make sure we don't do is make Ontario businesses so uncompetitive that they can't participate in that supply chain link. That's what I'm really worried about: this pace that Bill 148 is coming out at and the effects that minimum wage are going to have on our competitiveness.

Mr. Toby Barrett: Thank you.

The Vice-Chair (Ms. Ann Hoggarth): Thank you. If you have any other written submission, it needs in to be to the Clerk by 5:30 p.m. on Friday, July 21. Thank you, sir.

Mr. Norm Beal: Thank you, Madam Chair.

CHRISTIAN LABOUR ASSOCIATION OF CANADA

The Vice-Chair (Ms. Ann Hoggarth): I now call the Christian Labour Association of Canada.

Mr. Mike Colle: Tell them to stay away from the mike.

The Vice-Chair (Ms. Ann Hoggarth): Good morning. If you could make sure that you stay far enough away from the mike that we can hear you without interference.

Also, would you please state your name for the record, and your five minutes will begin.

Mr. Ian DeWaard: Good morning, Madam Chair and members of the committee. My name is Ian DeWaard and I'm a regional director with CLAC. I'm pleased to make this submission about Bill 148 to the committee this morning.

CLAC is an independent labour union, founded in 1952. The union serves about 60,000 members nationally and just over 15,000 here in Ontario. In Ontario, they work primarily in the health care and construction sectors.

CLAC has supported and participated in the Changing Workplaces Review process from its inception. Many of our recommendations align well with what's found here in Bill 148, including the addition of minimum standards and better leave entitlements for workers.

Key items for us in this bill are changes to the Labour Relations Act that will help employees better exercise their right to be represented by a union of their choosing.

1100

In this submission, I'll limit my remarks to four recommendations, which I'll try to squeeze in in five minutes.

First, with regard to vacation pay, vacation time and the Employment Standards Act: In the construction industry, there is a unique provision with regard to vacation pay. When an employer pays a worker in excess of 7.7% as vacation pay, part X of the ESA—that's the part that deals with public holidays—has no application. It's part of the special rules and exemptions. As a result, if you are a worker in construction with five years of service, and you're already receiving 7.7% vacation pay, because it's in lieu of statutory holiday pay, you'll not be able to claim entitlement to the additional week of vacation time

and the additional 2% of vacation pay that's being offered to other workers.

To address this, CLAC recommends that subsection 9(2) of regulation 285 be amended so that a construction worker with more than five years of service would receive the same net benefit. That would mean that they receive 9.7% vacation pay as combined and in lieu of statutory holiday pay.

Secondly, I want to speak to the Labour Relations Act, and specifically the no discharge or discipline following certification or strike. CLAC supports the addition of just-cause protection to the Labour Relations Act for workers when a union is certified and until the first collective agreement is entered into, and in cases of a strike or lockout. These are certainly steps in the right direction.

CLAC recommends, however, that the legislation go a step further by extending that protection to the point at which an application for certification is submitted, not just from the point at which a union is certified. It's our experience that it is at this stage—upon application, but prior to certification—that workers can be most vulnerable in the organizing process. Our recommended extension of just-cause protection to the point at which the application is submitted would align with what's called the “freeze period” protection already found in section 86 of the Labour Relations Act. That section provides that terms and conditions of employment may not be altered once a trade union has applied for certification and notice has been received by the board.

A third recommendation: It's not in the bill, but it relates also to section 86 of the current act, which falls under the heading “Working conditions may not be altered.” This section provides bargaining stability in the case of an expired collective agreement, and for when a union is certified but has yet to negotiate its first contract. What the current section fails to address effectively are situations when employees who are already unionized elect to change the bargaining agent that represents them. During that type of transition, the rights established in a collective agreement—that is, the right to representation, the right to a dispute resolution process, the Rand formula rights—evaporate once the prior union is certified and pending and until the successor union achieves a new collective agreement.

The workers in this type of transition must effectively start over, despite having already developed a collective bargaining relationship, for the failure of the act leaves workers vulnerable, and this legislative shortcoming serves as a deterrent to workers who might wish to use their right to change bargaining agents.

We recommend that Bill 148 provide the workers in transition between unions with the ability to enjoy the rights and privileges already contained in their collective agreement. Put differently, the workers, not their bargaining agent, should own the collective agreement and all of the rights, privileges and obligations in it.

Lastly, I just want to speak to the amalgamation of bargaining units, which is a power that has been bestowed on the labour board. It allows for the elimination

of multiple bargaining agents and the consolidation of bargaining rights into one certificate or collective agreement.

CLAC has consistently and historically called for the right, or the will of workers, to carry the weight in any such—

The Vice-Chair (Ms. Ann Hoggarth): Thank you. The government will begin this round. MPP Colle.

Mr. Mike Colle: In terms of the thing that you're commenting on is the fact that in 25 years, there hasn't been a comprehensive updating of the Ontario Labour Relations Act. In your role and in your on-the-ground activity with workers, have you seen this need to match the new changes to the Ontario Labour Relations Act with the new realities in the workplace? Has that been manifested to you?

Mr. Ian DeWaard: Yes, so there are a number of positive developments that time doesn't allow me to spend much effort on here. The protection that is being developed for workers in the most at-risk type of workplaces: home care workers, as an example, who now enjoy card-based certification because they don't have a workplace which they attend, or temporary workers, who are more easily dealt with in the case of an organizing campaign. Those are positive developments that we think meet the needs of a changing workplace paradigm, especially for those types of workers who are most at risk.

Mr. Mike Colle: I think you gave a very good example there: the home care workers. With our aging population, there is a growing number of people who make their living by caring for people who are elderly or infirm. They don't work in one location. It can change from week to week, or day to day, in some cases. In this system of non-card-based certification, how could you ever get them to organize?

Mr. Ian DeWaard: It's very difficult. They're left at risk and generally have a harder time accessing the benefits of collective bargaining than would be the case for workers who attend a particular work address.

The Vice-Chair (Ms. Ann Hoggarth): MPP Dong.

Mr. Han Dong: Good morning. Thanks for coming and for the presentation.

I didn't get a chance to ask this question earlier. The Ontario government is planning to hire 170 more employment standards officers over four years. That's going to double the number of the officers in the force.

Do you think that's going to help protect workers in a large way? What's your experience, if you have any, with the officers and their inspections?

Mr. Ian DeWaard: I have to be honest: My experience is quite limited because collective bargaining gives us the means to enforce the rights and privileges that workers are entitled to, both contractually and under the legislation. I'll say only that, from my experience, the collective agreement is the best means for workers to enforce and access those rights.

Mr. Han Dong: Thank you.

The Vice-Chair (Ms. Ann Hoggarth): Thank you. We'll move now to the official opposition. MPP Oosterhoff.

Mr. Sam Oosterhoff: Thank you very much for coming in this morning, and I thank you for presenting as well as your recommendations and the good work you do on behalf of workers.

I was just curious about the workers' rights in transition, section 86. I was wondering if you could go over that again and explain a little more about where you believe that flaw is regarding freeze provisions.

Mr. Ian DeWaard: The current freeze provisions in the act contemplate two scenarios, the first being workers who aren't unionized and so their terms and conditions are frozen upon application for certification while they negotiate a first collective agreement. The second type of freeze that's contemplated in the act is where a collective agreement has expired—they're typically for a three-year term—and workers are in the process of negotiating the next agreement. Under that second scenario, the workers continue to enjoy all of their collective bargaining rights: the right to dispute resolution and the right to the Rand formula etc.

What is not contemplated in that provision of the act are the workers who have already unionized but are in transition from one union to another. Those workers are actually set back to the place where they began. They're without a collective agreement. They're without the protections of a collective agreement. Any disputes that are in transition or in process effectively die. While the act sets out the right for workers to elect their bargaining agent and to change bargaining agents—it's a tool that workers have available to them to create trade union accountability—they're left without basic protection. It serves, then, as a deterrent for them to exercise that right.

Mr. Sam Oosterhoff: Thank you. You also mentioned that CLAC was working with the government in the development of this legislation. Was this ever brought forward? What did the government respond to the recommendation to address this?

Mr. Ian DeWaard: We participated in the submission process during the Changing Workplaces Review process, both orally and in writing, and had flagged that concern on both occasions. It didn't make it into the review or into the draft legislation, so we're raising it here.

Mr. Sam Oosterhoff: All right. Perfect. Obviously, one of the big issues that is talked about a lot, and one of the major ones that is impacting small business is the minimum wage. What is CLAC's position? What do you feel the minimum wage will do to small businesses? Have you heard concerns from members who have raised any of this?

1110

Mr. Ian DeWaard: I think that the minimum wage is going to create turbulence, not all of it bad. It will create tension, not all of it bad.

I'll say that, from CLAC's perspective, our concern would be that minimum wage as the only tool to address economic disparity is a blunt one. The government has been exploring guaranteed basic income as another option, but there are other tools that have yet to be explored, like targeted tax relief for people who are most

at risk. Our members, I think, would be concerned that this becomes the presumed panacea for all of those economic disparities, and that those other tools—specifically the guaranteed basic income, which we know the government is exploring and investigating now—not be left to the side or overlooked.

Mr. Sam Oosterhoff: One other question, kind of on a different subject: I'd love to hear what you think about open tendering. Do you think it's fair that workers can be shut out of working on local construction projects?

Mr. Ian DeWaard: On a different track, of course, CLAC has been promoting this notion that work that is tendered by municipalities, by the government or by school boards should not be restricted to a particular union or craft, as can sometimes happen because of the current labour relations regime that we're under.

The construction side of the Labour Relations Act: We were given clear instruction—I think everyone was—that that part of the act, sections 126 and beyond, wasn't up for review during the review process for Bill 148. We're looking for an opportunity to address that still, but we're probably not going to see it in this bill, would be our guess.

The Vice-Chair (Ms. Ann Hoggarth): MPP Yakabuski.

Mr. John Yakabuski: Thank you very much, Ian, for joining us this morning. A couple of clarifications: You talked about vacation pay. That is something that I would suspect can be addressed in a collective agreement, as well. There are some unions or some labour groups that receive more than 9.7% currently.

Mr. Ian DeWaard: Oh, sure.

Mr. John Yakabuski: So that is something that could be addressed in a collective agreement as opposed to legislation, correct?

Mr. Ian DeWaard: Yes, sure, but the concern is for those who—

The Vice-Chair (Ms. Ann Hoggarth): Thank you. We'll move to the third party. MPP Forster.

Ms. Cindy Forster: Thank you, Ian. It's good to see you again.

The vacation pay issue: You raised that one issue under the construction industry. However, a couple of people over the last eight days have raised the issue of a new formula that is proposed under this legislation that would see workers who do not make a lot of money actually lose some of their vacation pay, because what they said was that the formula would no longer include holiday days or vacation days that you are paid for in that two-week pay period. There's a concern that if somebody in the past was entitled to a full day's vacation pay, because it was over the Christmas/Boxing Day week and you had those three statutory holidays in there, they now would not be eligible for that. I don't know whether you have turned your mind to that piece.

Mr. Ian DeWaard: Not that particular element—that's the public holiday pay, and they move to a two-week window rather than a four-week window.

Ms. Cindy Forster: Correct.

Mr. Ian DeWaard: I'm only speculating, but it warrants further analysis. The move to two weeks is a two-week full pay period. It suggests that if it's not a full pay period, that you would, I think, go back a further two weeks. I don't know if that's the effect, so the language in the text is not as clear as it might be.

Ms. Cindy Forster: Okay. And the other piece is that in today's work world, most people, the vast majority of people, are not in a job for five years. To say that people get three weeks' vacation after five years when most employees aren't really—it isn't a benefit to most.

Mr. Ian DeWaard: Right.

Ms. Cindy Forster: Okay.

The Vice-Chair (Ms. Ann Hoggarth): MPP Gates?

Mr. Wayne Gates: Hi, Ian. How are you?

Mr. Ian DeWaard: Good, sir.

Mr. Wayne Gates: Good. Listen, you raised protection on the freeze. Maybe elaborate a little more so that more people understand what can happen to employees during that period of time if it's not corrected. When there's that open period where you're leaving, say, two unions and you're going to another union, and then you've got that period of time, what can happen to employees then?

Mr. Ian DeWaard: Most concerning is the fact that any current disputes that might exist between a worker and an employer—an improper termination, a grievance over wage pay—all of those disputes are null, because the collective agreement on which they're based dies when the incumbent is displaced and/or loses its bargaining rights. The workers are affected very negatively by effecting that change. So we're saying that those workers who already have a collective agreement should continue to receive the same level of protection as workers whose collective agreement expires. Currently, they don't.

Mr. Wayne Gates: People, particularly legislators, would understand this. It would be like proroguing government: Everything dies. It would be very similar, right?

Mr. Ian DeWaard: Yes.

Mr. Wayne Gates: While they're changing, going from one union to another during that open period—do you have any issues with some companies taking advantage of those situations to go after workers?

Mr. Ian DeWaard: Yes.

Mr. Wayne Gates: Can you explain?

Mr. Ian DeWaard: Well, they're without collective agreement protection. On the one hand, the just-cause protection will provide some level of guarantee. Other types of disputes, which might not be termination, will die, and so legitimate claims to lost wages or unfair discipline would not carry on in the case of transition from one union to another.

Mr. Wayne Gates: So when that happens, you'd lose the right to put a grievance in and some of those things that are really important in the day-to-day for workers in that particular workplace.

Mr. Ian DeWaard: Yes.

Mr. Wayne Gates: So that's why, in your opinion and in my opinion, it's important to make sure those

rights stay in place, so that when the worker leaves in the morning, he knows he has all the same rights in a transition, because the workers are choosing what union they want to be in, in most cases. That transition period shouldn't hurt workers as far as being protected on the job. I think that's where you're trying to come from.

Mr. Ian DeWaard: Exactly.

Mr. Wayne Gates: I'm not trying to put words in your mouth. I'm just trying to help explain it, so everybody around this table understands how important that particular point is.

Thanks, buddy. I appreciate it.

The Vice-Chair (Ms. Ann Hoggarth): Thank you. The deadline for a further written submission—it needs to be in to the Clerk of the Committee by 5:30 on Friday, July 21.

Mr. Ian DeWaard: Thank you.

INTERFAITH SOCIAL ASSISTANCE REFORM COALITION

The Vice-Chair (Ms. Ann Hoggarth): I'd like to call the Interfaith Social Assistance Reform Coalition. Good morning.

Rabbi Shalom Schachter: Good morning.

The Vice-Chair (Ms. Ann Hoggarth): If you could identify yourself for the record, and your five minutes will begin.

Rabbi Shalom Schachter: My name is Rabbi Shalom Schachter. I'm the lead of ISARC's employment policy work group. I am accompanied by Marcia Gilbert, ISARC's coordinator.

ISARC represents Ontario's major faith communities. Our introduction sets out some of the theological bases behind our advocacy for better labour standards. Our interest in this issue is because, as people of faith, we believe that every human being has value and dignity, and thus our public policies and employment/labour relations standards must reflect this belief in the value of every human being.

Our goal in this public hearings process is to identify measures that the government can take to strengthen standards and to provide meaningful access to collective bargaining so that all workers will have the tools to secure adequate compensation for the work they perform, and thus no longer require social assistance and food bank services.

We see the material and spiritual adverse impacts on our congregants from the inadequacies of the current legislation. I can't tell you how many millennials come to me to bemoan the fact that they have to move back into their parents' home because they can't afford to live on their own because they are on short-term contracts, with little notice if the contracts will be renewed. Similarly, couples advise that they are putting off having children because they are not confident of their ability to support them.

Based on our core beliefs and experiences, ISARC is proposing three overarching values that should guide the

amendments to the Employment Standards Act and the Labour Relations Act, namely, equality between workers, equality between employers and workers' representatives, and enhancing the democratic process.

There is no justification for treating workers differently merely because they hold different statuses or jobs in the workplace. There is no justification for providing weaker rights to workers and their selected representatives than are provided to employers under the legislation, nor should workers lose their civil rights at the door of the workplace. Workers should not have a tougher hurdle to climb to access representation than citizens have in their municipal, provincial and federal spheres.

1120

Dealing first with equality between workers, we urge you to end all exclusions. Exclusions from the ESA may not be able to be revoked completely in one fell swoop, but they should be reviewed and limited as quickly as possible. Exclusions from the Labour Relations Act are no longer justified.

The bill deals with the misclassification of independent contractors, but its provisions need to be tightened. We also strongly urge the committee to close the gap by including dependent contractors within the coverage of the Employment Standards Act.

Age and occupational differentiations should be ended.

We support equal pay. We are concerned that there are loopholes for employers to justify differentiations in pay, whether they be by making minor differences in duties between different statuses of workers or through exceptions written into the bill. The bill does not appear to contain adequate enforcement mechanisms.

We request that you delete from the bill all grandparenting provisions in respect of equal pay and in relation to other provisions.

Finally, we are disappointed that the law does not address the compensation of workers who are not full-time for insurance benefits provided by employers to full-time employees.

Workers at common law have the right to protection from unjust discharge, but this right can only be enforced through lengthy and costly litigation in the courts. Currently, most rights under the Employment Standards Act are only enforced by workers once they leave employment. The new rights are no more likely to be enforced by active employees unless fear of possible retaliation can be reduced. Some employers may try to fire workers to avoid new obligations such as the three-week vacation entitlement. The best way for this protection to happen, for their rights to be enforced, is to extend just-cause protection to all workers.

We support the inclusion of employees of temporary help agencies and subcontractors within the legislation, and our brief sets out needed improvements to the bill.

In terms of equality between employers and representatives of workers, the bill does not allow for sectoral bargaining where a union, representing employees of a number of different employers all involved in the same

economic sector and in the same geographic area, could apply for consolidation of its multiple bargaining units. The bill does, however, allow an employer to apply to the labour relations board to consolidate a number of bargaining units that are represented by different unions. There is no justification for this differential treatment.

In terms of enhancing the democratic process, in public life we decry the low level of voter turnout. Opening up access to participation in workplace governance will help dissolve alienation and serve as a means to facilitate participation in the broader society. As well, this population's—

The Vice-Chair (Ms. Ann Hoggarth): Thank you. Your time is up. We'll move to the official opposition. MPP Barrett.

Mr. Toby Barrett: Yes, thank you to ISARC. Many of us attend your meetings at Queen's Park in the main legislative building. I am quite impressed with the detailed analysis from the faith community on labour legislation. It's surprising, in a way—very comprehensive.

You mentioned in the beginning a concern with respect to issues around social assistance and food bank services and the fact that work is so important in our society. We do hear in testimony—and these hearings have been going on, I guess, for almost a week now—that much of these amendments to the labour legislation, if it went through, would be a job-killer, especially for those groups of people that I know ISARC works with and advocates on behalf of.

We also hear evidence that as labour costs go up—obviously, with a \$15 minimum wage, labour costs go up—the costs of running an operation go up regardless of what it is, a non-profit, government or business. That can lead to automation in some sectors; that can lead to layoffs; that can lead to a push to more temporary work, part-time work, contract work. It's just the basic economics, even though we don't have an economic impact study.

My concern, and I know this has come up at a number of past ISARC meetings—for example, disabled people. They want to work. Money is not the issue. These other things we're talking about here are not necessarily the issue for them. They just want to work, either volunteer or work part-time, maybe in fast food or what have you, and the industry has been very accommodating. My concern is, this is going to threaten those people who perhaps don't have the ability to work full-time. Do you have any comments on that?

Rabbi Shalom Schachter: The major problem in the economy is lack of demand. If more money is put into the hands of low-income workers, they will purchase goods and services. This will create more jobs. So we do not believe that these changes will have a negative impact. We believe there are economic studies that show, in other jurisdictions, that that has not been the problem.

In terms of people who are finding difficulty securing employment—again, by putting more money into the economy, this is going to create more demand and more

need for hiring. We do have a demographic problem of a low birth rate and people who are at the age of retirement retiring, so we don't believe that these changes are going to create problems in any way overall for people seeking work.

Mr. Toby Barrett: I think the Frances Lankin report that recognized the value of work—all the reports at that time recognized the value of work—recognized the increase in temporary work and recognized that as an advantage for those people with an intellectual disability, who maybe can't compete in the labour market as effectively as others, could pick up that kind of work.

My concern: What changes here are a threat to that particular group? I'm talking about disabled people on ODSP. They are permitted to work. Granted, a lot of the money they make gets clawed back by government.

Rabbi Shalom Schachter: I would think that agencies representing people with disabilities are in a better position to identify whether they think the current draft legislation is going to be a problem or what alternative measures, such as increased training opportunities or other employment equity issues, would be better to help that population rather than not proceeding with the provisions in Bill 148.

Mr. Toby Barrett: For many people in that position, the employer just can't justify paying them \$150 a day. We hear that. So they'll be out of the market.

Rabbi Shalom Schachter: Well—

The Vice-Chair (Ms. Ann Hoggarth): Thank you. We move to the third party. MPP Forster.

Ms. Cindy Forster: Thank you, Shalom and Marcia, for being here. It's good to see you again. Maybe you could use a couple of my minutes to finish your presentation.

Rabbi Shalom Schachter: I was just going to finish on the importance of extending access to collective bargaining, and to indicate that the best way to help the population to, again, improve their economic condition is to give them the collective bargaining tools to improve their economic position.

Our submission includes recommendations to expand the means of showing majority support, and the improvements in access to the voters list that need to be made to the provisions in the bill, and to urge you to extend successor rights to all workers involved in contract flipping.

The plight of Ontario's contract, temporary and part-time workers cries out for action. We are encouraged with the tabling of Bill 148, as well as the decision of the members of the Legislature to authorize hearings after first reading. We strongly urge this committee to complete its deliberations in time to enable the full House to finalize the contents of the bill and to pass it before the end of the calendar year so as to make meaningful progress towards the eventual achievement of a true fair workplace containing better jobs act.

Ms. Cindy Forster: I just want to follow up on MPP Barrett's comments. We heard over the last 10 days, from many of the community health centres and from poverty

groups and from medical officers of health from public health departments, about the impact of poverty on social determinants of health: the stress of being hungry or homeless on your actual physical health and mental health, or working when you're sick and actually spreading that infectious disease to many people, when it takes at least five days to overcome that. You spoke about low birthrates, failure to thrive in children and failure to thrive on the other end of the spectrum, in seniors. I think that it's very important to always keep that piece of it in mind. Do you have a comment on that?

1130

Rabbi Shalom Schachter: The people who we represent want to be active parents. They want to help their children grow to be responsible, ethical human beings. But if they have to run from one job to another and always be on call for another call-in shift, they don't have the time to be with their children, to help them with their homework or go to school activities. They don't have the time to participate in community and neighbourhood activities. They don't even have the time to come to houses of worship. We would like to be able to see those people have better economic security. It will improve their psychological health, it will improve their physical health and it will improve the quality of civic society.

Ms. Cindy Forster: And it will actually improve the lives of people with disabilities as well.

Rabbi Shalom Schachter: Absolutely.

Ms. Cindy Forster: People with disabilities are surviving today on about \$1,100 a month. They can go out and earn \$200, and then there's clawback after that point. That's not a lot of money for somebody to survive on today. Even in Niagara, the average rent is probably \$850 to \$900 a month. It's much higher in larger cities.

Wayne, did you have a question?

The Vice-Chair (Ms. Ann Hoggarth): MPP Gates.

Mr. Wayne Gates: Good morning. How are you?

Rabbi Shalom Schachter: Fine, thank you.

Mr. Wayne Gates: Good. I've got a couple of questions that I think are important. You touched on the two jobs and that people are running to make ends meet and how that has an effect on the family life of not only the parents, but certainly the kids or the grandkids. The question I wanted to ask was: Do you find that, because people are running between two jobs, less and less people are going to church with their families on Sunday because of that situation?

Rabbi Shalom Schachter: I can't give a direct scientific answer to that, but certainly, anecdotally, that's the understanding that we have. Again, this is just one cost of not having more permanent work and not having more job security.

Mr. Wayne Gates: The reason why I ask you is that the priest at my church is saying the same thing. He's saying that's why they're seeing more and more people not come to church on Sunday, or sometimes Saturday night: because of the work commitments. A lot of people have to work two jobs. When you work two jobs, maybe some people don't take—

The Vice-Chair (Ms. Ann Hoggarth): Thank you. We'll move to the government: MPP Colle.

Mr. Mike Colle: Thank you, Madam Chair. Thank you, Rabbi, for your presentation, and thank you for the comprehensive submission. It's appreciated, the effort that went into that by all the faith-based communities across the province, everything from the United Church of Canada, the Eastern Synod Evangelical Lutheran Church—anyway, this is representing a heck of a lot of faith-based people in Ontario, so we'll take this seriously into account. The detailed recommendations are much appreciated, because I know that took a lot of work.

The one thing that you opened up with, which sort of contradicts what the Conservatives have been saying about this bill—they've been saying, "Well, if we pay minimum-wage workers more, it's going to be a catastrophe to the economy. The sky is going to fall." But you said, on the other hand, that if you pay minimum-wage workers more for working, there might be some economic spinoffs that are positive as a result of giving those low-wage workers more money in their pockets.

Rabbi Shalom Schachter: We know that corporations are sitting on hundreds of billions of dollars of uninvested monies because there's a lack of demand. The way to get the economy moving is to increase demand by putting more money in people's pockets. Low-income workers are the ones who spend most of that money and spend most of that money on things, goods and services, that are produced locally.

We understand that most small businesses are already recognizing that they are better off, and that their businesses are better off, if they have a highly motivated workforce. They are already paying their workers, to a greater extent, above minimum wage, even \$15 and above that.

I think the real groups that are paying less are large corporations who are in the chains and other retail and fast food services. Yes, by paying their workers more, it may cut into the bonuses that their executives receive at the end of the year, but the sky isn't going to fall. People are still going to need to buy food and other goods and services, and if they have more money in their pocket, there will be more purchases.

Mr. Mike Colle: In fact, the Centre for Policy Alternatives issued their study last week, which basically said that 75% of the low-income workers underneath \$15 work for large corporations. I know we have this propagation being put forward saying that it's all small business employees at minimum wage, but it's not. Some 75% are employed by the big corporate entities in this province.

Therefore, can they not afford to pay their workers more? That's the question I guess you've asked, and that I ask rhetorically.

Rabbi Shalom Schachter: I guess when you hear from those corporations, you might want to say that if they are making an assertion, they should have to prove it. They should open up their books and show that they can't afford it.

There has been lots of talk about the failure to have economic analyses of these changes. Well, this process has been going on for two years. There has been plenty of time for the business community to engage in that kind of analysis and to be able to show you scientific data, as opposed to merely anecdotes and concerns and fears that they have.

These have been raised all the time. Whenever labour standards, minimum standards or minimum wages are increased, the sky hasn't fallen, and there's no reason to believe that it's going to be any different this time.

Mr. Mike Colle: In fact, the Labour Relations Act has not been updated in 25 years, so there has been this status quo. Like the member from Niagara Falls said, the previous government didn't raise the minimum wage for eight years. So now that, all of a sudden, we're trying to do some catch-up in terms of minimum wages and some catch-up on the Labour Relations Act, oh, the economy is going to go to hell in a handbasket.

No offence there, Rabbi.

Rabbi Shalom Schachter: Well, hopefully nobody is going to go to hell.

It's clear that the economy and the labour market have changed. The Labour Relations Act hasn't changed. We do have evidence that the level of unionization has decreased—

The Vice-Chair (Ms. Ann Hoggarth): Thank you, sir.

Rabbi Shalom Schachter: —and the level of economic—

The Vice-Chair (Ms. Ann Hoggarth): Thank you, Rabbi. Sorry.

Rabbi Shalom Schachter: Thank you.

The Vice-Chair (Ms. Ann Hoggarth): If you have a further written submission, it needs to be to the Clerk by 5:30 on Friday, July 21. Thank you, sir.

WORKERS UNITED CANADA COUNCIL,
NIAGARA LOCAL 2347

The Vice-Chair (Ms. Ann Hoggarth): I'd like to call on the Workers United Canada Council, Niagara Local 2347. Do you have a submission, sir?

Mr. Mike Ward: Yes, I do. Thank you. There are three separate documents.

The Vice-Chair (Ms. Ann Hoggarth): Okay.

Mr. Mike Ward: Good morning. My name is Mike Ward. I'm the local rep here in Niagara Falls for Workers United. We represent hotel and hospitality workers here at Sheraton, Crowne, Skyline, and a few other places.

First, we'd like to express our full support for increasing the minimum wage to \$15 an hour. The poverty level here in Niagara is staggering. Families can't afford to participate in any community or socio-economic areas.

The Niagara Poverty Reduction Network, who also has come up with a couple of reports that are being handed out now, came up with the number of \$17.57. This number is considered a living wage. It's above the minimum wage that's being proposed, but it's what they

deem as being able to maintain cellphones, put their children into organized sports, have the vehicles maintained, and paying for their rent and food.

1140

I became a rep here in this area back in 2009. My first contract was with a newly organized hotel. We ratified the contract. I thought we had done a great job. A week later, I was going from one of my shops to the next when I saw those same members that I had just ratified a new collective agreement with standing in a food bank line. I thought to myself, “We just got a good increase. We negotiated benefits. Why is this still happening?” It just wasn’t enough.

Still, the Niagara region employees are making less than \$15 an hour, and yet we’re saying, “That’s good enough. That’s okay.” But \$11.40 or \$11.60 it is not sustainable.

The Niagara Poverty Reduction Network’s report shows that the \$17.57 an hour, that’s just one individual’s income. That works out to be just about \$35,000. They’re saying that you need about \$70,000 to raise a family of four. So we’re in full support of raising the minimum wage to \$15 an hour.

The second issue is the paid leave. Getting two days of paid leave is a start. I don’t think it’s enough. Too many times workers are going without because they don’t qualify for the EI sick benefits. Maybe they’re not off long enough to get their short-term disability.

One of the examples we have is a worker at GoodLife, which we had recently organized, who had sustained a concussion at work and couldn’t afford to not go to work. She was forced to continue to come to work concussed because that’s her livelihood.

So two days is a good start. We would like to see it moved to seven days paid leave.

That’s basically it for right now. I’ll try to answer your questions as best as possible.

The Vice-Chair (Ms. Ann Hoggarth): We’ll start with the third party. MPP Gates.

Mr. Wayne Gates: Hey, how are you?

Mr. Mike Ward: Good. How are you today?

Mr. Wayne Gates: I’m not too bad.

In your minimum wage story here—I’ve actually said this at a number of my meetings over the course of a little while. I think it really touches home, quite frankly, when we look at the minimum wage and how we got in this position. You have to take the history of it and why we never kept up with inflation. The history is very clear.

But I ask anybody in the room—I don’t care what party you belong to—if you have a son and/or daughter or a grandchild working 40 hours a week, whether it be in the tourist sector or whatever sector it could be in—it could be in the manufacturing sector; it could be at GoodLife. It doesn’t matter where it’s at. I ask anybody to answer this question: Would they want one of their children to go to a food bank after getting their paycheque on Friday? That’s what the discussion is about here. I’d like you to answer that, because I think the day

that you saw that probably brought you close to tears, quite frankly.

I noticed you did your first collective agreement at that time. Congratulations. They’re never easy; first collective agreements are never easy. I’ve done 150 of them, so I know they’re not all easy. But the first one is always—sometimes as a new guy it’s the hardest.

But answer that question, because sometimes it drives me crazy. I go to the food banks; I go there and volunteer. I do all that stuff. Some of the people you see there—sometimes you’re surprised.

Mr. Mike Ward: Absolutely. I can’t imagine any parent, grandparent, brother or sister who would want to see a family member, neighbour or anyone you’re close with having to make that decision. I think with the amount of money that some of these corporations bring in it’s incomprehensible to think that we still have people who are going to food banks. If you’re working 40 hours a week, you should be able to afford to live. Again, that’s going back to the \$17.57 an hour, which is just the living wage. That’s what they say you can live comfortably on. It’s not a great middle-class life, but it’s something you can live on.

Mr. Wayne Gates: Have I still got time? I’m okay? Are we okay?

The Vice-Chair (Ms. Ann Hoggarth): Yes. Keep going.

Mr. Wayne Gates: Okay. Something that came up just this morning is the fact that union density has fallen in the province of Ontario. Some of that, I believe, was caused by NAFTA shifting some good-paying jobs, in my opinion, more to Mexico than the United States.

Why do you think it’s important to increase the density of unionized workplaces for the overall benefit of the middle class?

Mr. Mike Ward: I just think it gives the workers a voice. You don’t always have the opportunity or you may not be comfortable addressing your employer. We see it a lot, even with our unionized properties, where the employee feels like if they bring up an issue or they’re being harassed or something, it’s okay. They need to make the money and they’ll deal with it. If we could increase density—here in Niagara, we have just a handful of hotels that are organized—we could do collective bargaining together, whether it’s UFCW Local 102 or Workers United, ourselves. We could increase the standard of what each individual hotel employee gets. Based on that, I think we can improve peoples’ livelihoods.

Mr. Wayne Gates: Not everybody who is here or may be listening understands that if you have a single mom or a single dad who gets sick or hurt at work, sometimes that’s covered under WSIB—and we all know how hard it is to collect WSIB in the province of Ontario.

My question to you: Can you give us other examples on why it’s important to have paid sick days, where the employer has to pay some form of sick days? Maybe give us a couple of more examples. I read the one; do you have any other examples you could share with the committee that’s here?

Mr. Mike Ward: Oh, there are so many. Housekeepers are continuously working injured because it's a tough job. I think it's probably the toughest job in any of the hotels. We have long-term—

The Vice-Chair (Ms. Ann Hoggarth): Thank you. We'll move to the government. MPP Martins.

Mrs. Cristina Martins: Good morning, Mike. Thank you very much for your deputation here today in Niagara Falls.

This is perhaps day 7 or 8 for me travelling with the committee across the province. We've had the opportunity to stay at numerous hotels all across the province as we hold these meetings. Whenever I'm in the hallways, whether I'm checking in, checking out or just going to my room to get something, I notice that 99.9% of the employees are women, and they're immigrant women.

Often, these are perhaps a little bit more marginalized in our communities, in our society. I know there was a study that was conducted and published last week that spoke to the benefits that would come to these women, oftentimes single mums working numerous jobs to make ends meet, and to the immigrant woman who also has to have two or three jobs to make ends meet. It's these women who, with an increase in the minimum wage, would benefit the most.

Do you have anything to say about how that would affect the women you're representing at the hotels that you represent here in Niagara?

Mr. Mike Ward: Absolutely. I came from a single-mom home, two siblings. My mother was unbelievably great with being able to provide for us. Times have changed. The cost of living has gone up. Again, I think there are times when we have immigrant workers who are just grateful to have jobs versus exercising their full rights in what our labour laws offer and sometimes even what our collective agreements offer.

It could be based on the country they came from; it could be based on their home life. I'm not sure. But for anybody making \$15 an hour, I think, their livelihood would be better, right? You can afford to maybe do McDonald's that extra time a month. It could be putting your son or your daughter in dance or baseball.

1150

My son plays hockey, and I don't know how a single-parent family could afford organized sports—and it's important, I think. Organized sports are one of the best things children can get involved in. The fact that some families can't afford to do that is sad.

Mrs. Cristina Martins: You mentioned here, in your presentation and what you presented to the committee here, that the livable wage in Niagara is \$17.57. Interestingly enough, my note actually says that in Niagara, the living wage is estimated to be \$17.47, so we're not too far off. This value represents \$33,542 for a full-time employee.

With the current minimum wage, as it stands today, a full-time minimum wage employee makes \$24,000 a year. This is \$9,542.40 less of what has been established to be a living wage for this area. So anyone working full-

time, currently, at the minimum wage in the Niagara region is making \$9,500 less a year than what is estimated to be that livable wage.

I want your opinion on this. What we're proposing here with regard to the minimum wage, coupled with the fact that you'll be saving 25% off your hydro, that we're offering free tuition for more than 210,000 students across the province, that we'll have free pharmacare, no deductible, no copayment, for everyone 25 and under, for 4,400 drugs—all these things coupled together will close that gap that we're seeing today on the \$9,500. Do you agree?

Mr. Mike Ward: I think it will be a starting point. The \$17.47 would have been the 2015 number. The 10-cent increase was done on last year's numbers for the Niagara Poverty Reduction Network.

I think universal child care is a huge bonus. I think that's something that the government should explore, because you do have families who have to decide on, "Do I go to work and make \$80 today and pay \$70 to put my child in daycare?" What would be the point?

Mrs. Cristina Martins: I know that we keep forgetting about the fact that we had introduced full-day kindergarten, and that alone has put \$1,300 over those two years in people's—

The Vice-Chair (Ms. Ann Hoggarth): Thank you. We move now to the official opposition. MPP Oosterhoff.

Mr. Sam Oosterhoff: Thank you very much for coming and appearing today. I also want to thank you for sitting in with the Niagara region's poverty network. They do excellent work. I've seen this study before, and it's a really eye-opening study. Hearing about your mother's story as well and your story growing up, I think we can all agree, everyone around this table, that we need to be doing more to make sure that single mothers are being supported and that low-income earners are being raised up.

I did have a question, though, about what you believe the impact will be, the impact of the increase in the cost of living due to the increase in the minimum wage.

For example, I was just reading that there are some businesses who say that they're going to have to raise their prices by 21% to 32%. Then that number of \$71,294, which is the current estimated amount that's needed for a family of four to live, is going to go up by at least a certain corresponding amount. I think of transportation; right now it's broken down at 16%. With cap-and-trade, that's probably going up. I think of shelter. The costs of some of these things now with hydro are going to keep going up as well.

These costs are going to increase. What happens to that number if minimum wage shifts that whole number up? Has it done any good if the whole increase in the cost of living is 20% or 30%?

Mr. Mike Ward: Again, potentially that's a worst-case scenario. Hypothetically, let's say everyone gets this increase and nobody is spending this disposable income within the community. I think what you'll find is that

these families that couldn't afford to go out to the movies, couldn't afford to go out for dinner or take their children to the water park here or to Great Wolf Lodge once—I think you'll see that happening. To what extent, I'm not sure; I'm not an economist.

Mr. Sam Oosterhoff: Actually, that's perfect, because you mentioned Great Wolf Lodge. I'm very interested to hear from them. They're appearing later this afternoon.

Mr. Mike Ward: I'm aware, yes.

Mr. Sam Oosterhoff: I'm very interested to hear from them. I was thinking that if they come forward and they say—and they may not; I'm not going to assume. If they say, "This is going to increase the cost of our rooms by 15%," then for the person who wants to go and have that night out at Great Wolf Lodge, the cost is going to be that much higher as well.

Mr. Mike Ward: It will be interesting to see what their presentation entails. They're one of the unique attractions in Niagara.

Mr. Sam Oosterhoff: Absolutely.

Mr. Mike Ward: I don't think they're affected by the seasonal aspect as much. They seem to be consistently busy. When you get towards Clifton Hill, you see—obviously, during the wintertime it's pretty dead around here. The hotels around here, I think, are a little bit more affected.

But if an attraction like Great Wolf Lodge says they're having a hard time believing they can afford \$15 an hour, I would like to see why.

Mr. Sam Oosterhoff: Did you have any comments?

Mr. John Yakabuski: Yes.

The Vice-Chair (Ms. Ann Hoggarth): MPP Yakabuski.

Mr. John Yakabuski: Thank you very much, Mike, for joining us this morning, and for your presentation.

In your presentation, you talked about the liquor servers and finding some of them at the food bank. One of the reasons that we find, in my riding, in Renfrew–Nipissing–Pembroke—I had volunteers from the food bank come and see me, and they talked about the number one reason that people were at the food bank, which was the fact that their hydro bills had increased so much here in Ontario that they could not pay them, or had to make a choice between paying the hydro bill and/or purchasing groceries.

In the last 14 years, electricity has increased by 400%. The government now is talking about reducing it, but they're not changing the system. They're simply re-financing and remortgaging it, and somebody's going to be paying for that down the road.

All those people who we're purporting to support with a minimum wage increase to \$15 will be paying those increased bills once the next election is over with, which is quite frankly what this bill is all about.

You also talked about the lady at GoodLife Fitness. I hope that worked out for her in the end; I don't know the end of the story. But there are good employers, too.

Mr. Mike Ward: Absolutely.

Mr. John Yakabuski: I'm not suggesting that GoodLife is not. I don't know their practices very much. You were just getting into the story.

When I was in the hardware business—I went to run a hardware business—

The Vice-Chair (Ms. Ann Hoggarth): Thank you.

Thank you for your presentation. If you have any further written submissions, they need to be to the Clerk by 5:30 on Friday, July 21. Thank you, sir.

Mr. Mike Ward: Thank you for your time.

The Vice-Chair (Ms. Ann Hoggarth): This committee is recessed until 1:30 in this room.

The committee recessed from 1158 to 1330.

The Vice-Chair (Ms. Ann Hoggarth): Good afternoon. We are meeting here this afternoon for public hearings on Bill 148, An Act to amend the Employment Standards Act, 2000 and the Labour Relations Act, 1995 and to make related amendments to other Acts. Each witness will receive up to five minutes for their presentation, followed by up to 15 minutes of questioning from the committee.

Just a reminder: This room is an extension of the Legislature. The same decorum is expected here. No clapping or cheering or heckling, and no political attire or material.

Are there any questions before we begin?

GREAT WOLF LODGE

The Vice-Chair (Ms. Ann Hoggarth): I will call our first presenter: Great Wolf Lodge.

Do you have a submission, sir?

Mr. Keith Simmonds: Yes.

The Vice-Chair (Ms. Ann Hoggarth): Great. Please state your name for the official record, and your time will begin.

Mr. Keith Simmonds: Good afternoon. My name is Keith Simmonds. I'm the vice-president and general manager of Ripley's Niagara Water Park Resort, a member of the Jim Pattison Group of companies. I also serve as a board member for the Tourism Industry Association of Ontario.

Thank you for the opportunity to participate in this important process. I think it has been handled very well. The communication and organization has made it very easy for us to understand where we're supposed to go and what we're supposed to do.

First and foremost, we all fully support the principle of government implementing increases to minimum wage. Our goal is to ensure that they are progressive, balanced, incremental and well thought out. Ripley's Niagara Water Park Resort's primary focus is on supporting the growth and success of our over 700 employees, through fair wages, training and recognition. In speaking today, our hope is that the discussion will allow for a long-term program that will support the minimum wage workforce as well as those working in adjacent levels of remuneration.

Speaking specifically to the impact of the proposed bill on our 700-employee organization: Over 90 of our employees earn minimum wage, and a full 590 are paid between the current \$11.40 and \$15 per hour. Conservative calculations for this range of employees under the government's proposed increase show an increase to our resort's payroll of \$1.8 million in 2018, which represents well over a 10% increase in total payroll, and a further \$1 million in 2019. These totals do not include employees currently earning over \$15 per hour. When factored alongside an annual spend of \$2.6 million on training, recognition and benefits, our business will be forced to absorb significant losses to the growth of both employee and guest programs, as well as capital improvements to our facilities. Again, that is a \$1.8-million increase in 2018 alone.

Furthermore, the proposed increases do not remotely reflect normal consumer price or inflationary increases.

We believe that the government's proposed increase will have a detrimental impact on our industry, minimum wage employees and the broader provincial economy, as evidenced by numerous relevant studies. To that end, we did not support a Liberal government mandate that included an increase of this scope. It is imperative that our discussion include a sufficient cost-benefit analysis of further increases, so that all stakeholders benefit from long-term, incremental and balanced increases.

Worsening the negative impact of the proposed increases is that they are a surprise to all industries, as they are a reversal of this government's plan rolled out in 2014. This was supported by an expert panel tasked by the province with looking specifically at minimum wage. The business community largely supported this as favourable to all stakeholders, and we have planned accordingly.

With respect to the scheduling element of the proposed bill, it is our view that many industries will not be able to effectively operate through varied weather and variable consumer demand under the scheduling model contemplated within the proposed bill. This is not due to a desire to minimize earnings for employees. Conversely, it reflects the reality of scheduling to the level of work available, thereby improving long-term economic conditions for both employers and employees.

We recommend that the tourism industry be exempted from new scheduling provisions within the bill. Such a change is critically essential to tourism businesses coping with complicated and ever-changing hours of operation. Alternatively, we recommend that you act on the advice of the panel's co-chairs and work with our sector further in finalizing a win-win solution for all stakeholders.

In closing, Ripley's Niagara Water Park Resort looks forward to supporting a mandate that provides positive and balanced increases to the provincial minimum wage. We support incremental growth to our provincial minimum wage that is sustainable for employees, business and our provincial economy as a whole.

The Vice-Chair (Ms. Ann Hoggarth): Thank you, sir. This round of questioning will start with the government. MPP Colle?

Mr. Mike Colle: Thank you very much, Mr. Simmonds. We've got here that you represent Great Wolf Lodge, and—

Mr. Keith Simmonds: Yes, the legal name for Great Wolf Lodge Niagara Falls is Ripley's Niagara Water Park Resort.

Mr. Mike Colle: Okay, so Ripley's is the corporate name.

I certainly know from my grandchildren that you run an excellent operation there. It is a great refuge for families. They find the adventure and the hospitality second to none there, so they're repeat customers.

Mr. Keith Simmonds: Thank you. We do enjoy over 42% repeat visitation, and after being in our lobby this morning, this feels like a refuge.

Mr. Mike Colle: Okay. It is for parents, and I just say that because, again, I've had personal experience for my own family on numerous occasions that they've been there.

We appreciate the fact that you took time to be here today, because in this round of public hearings we're trying to make sure that we get factual input from entrepreneurs like yourself. You obviously represent an important economic entity here in Niagara and southern Ontario, so I think it is really helpful that you've come here and given this very thoughtful presentation.

I guess your main concern is not so much with the changes to the Labour Relations Act, but more with the rapid deployment of the wage increase.

Mr. Keith Simmonds: That would be correct. As it relates to the other portions of the Labour Relations Act and the minimum wage, we look for consistent planning, consistent programs. At Great Wolf Lodge, Ripley's Niagara Water Park Resort, we already incorporate most of the elements proposed within the act—vacation and so forth.

Mr. Mike Colle: And equal work for equal pay? We found some of the complaints we've gotten over the last couple of years, with the review we've done of the act, are that you'll find full-time people making one wage, and you've got a temporary, part-time worker doing the same work and getting paid \$3 or \$4 less for the same work. That's one of the things we've addressed in the proposed legislation.

Mr. Keith Simmonds: We would support looking at that closely and making sure that it's not a factor, because we do not operate that way.

Mr. Mike Colle: Okay. Anyway, thank you for your presentation. I know you're facing some challenges with the changes and we do appreciate the seriousness of your presentation.

Mr. Keith Simmonds: Thank you.

The Vice-Chair (Ms. Ann Hoggarth): MPP Dong.

Mr. Han Dong: Mr. Simmonds, I too am a repeat customer of your establishment. My kids love it, ever since they were toddlers. Thank you very much for doing a good job at Great Wolf Lodge.

I noticed that you said the payroll will go up by \$1.8 million, and that's not counting employees earning over \$15 per hour.

1340

What's the percentage, currently, of the employees under your management who are earning less than \$15?

Mr. Keith Simmonds: It's 590 plus 90, so 680 of 700.

Mr. Han Dong: It's 680 of 700?

Mr. Keith Simmonds: Correct. The majority of our employees are first-time jobs, part-time workers and so forth in the water park, arcades and restaurants.

Mr. Han Dong: Do you find increased difficulties in hiring, getting people to come and work there?

Mr. Keith Simmonds: I don't find difficulties, no. Recruiting, like every other tourism entity in this town, is an ongoing reality.

Mr. Han Dong: The reason I'm asking this is that earlier on, we heard comments that in the Niagara region, tourism is booming, but it's getting harder and harder for the hospitality industry to find people willing to work. Do you agree with that?

Mr. Keith Simmonds: We—

The Vice-Chair (Ms. Ann Hoggarth): Thank you. We'll now move to the official opposition. MPP Yakabuski.

Mr. John Yakabuski: Thank you, Keith, for joining us this afternoon.

I didn't hear much from the government, really, talking about the minimum wage changes. They're certainly not talking about any mitigation. You've laid out pretty clearly how it would affect your business—massively affecting your business. And you're one of many businesses that are in the same boat. Not all of them employ 700 people, but they're all affected that way.

You did talk about how while most of yours are part-time, seasonal or whatever, you do have some who would be over the \$15 currently. I would expect there would be pressure from them as well to see commensurate increases in their wages. Would that not be expected?

Mr. Keith Simmonds: Yes. That's why the calculation we provided of \$1.8 million was based on employees from minimum wage up to \$15, because yes, if you're the supervisor at \$15 or \$14.50—we looked at all of that. There will be creep, as we call it.

Mr. John Yakabuski: There was never any indication from the government when they were doing the Changing Workplaces Review, and/or the Premier herself earlier this year indicated that there was no intention to boost the minimum wage to \$15 an hour. In fact, she talked about a formula that takes the politics out of it, which was tying it to the consumer price index. What do you think led to this about-face, other than politics?

Mr. Keith Simmonds: Although we anticipated and support annual increases to the minimum wage, this was a surprise to us. I cannot speculate as to the cause.

Mr. John Yakabuski: As to the cost?

Mr. Keith Simmonds: The cause of why this decision was made.

Mr. John Yakabuski: Oh, okay. When we travel around the province, we hear similar stories. We have a grocery store in Westport—I don't know if you know

where Westport is, but it's a village of 700—that really only makes money a few months of the year. We talked to a lodge there as well that makes money a few months of the year and has to absorb the cost of operation and maintaining those employees throughout the rest of the season.

You're open 12 months of the year, correct?

Mr. Keith Simmonds: We are, yes.

Mr. John Yakabuski: What is your breakdown? It's busy out there right now. I went for a walk at lunch hour and there are people all over the place. What is your breakdown as far as seasonal business?

Mr. Keith Simmonds: Like every other tourism resort I have worked at across the country, there are some months that are not profitable for sure. At this time of year, we're enjoying a busy season across Niagara, but there are ebbs and flows for sure.

Mr. John Yakabuski: If this goes through as planned, as indicated in the bill, what would your steps be to mitigate the financial burden that you would be expected to absorb? How are you going to deal with that? Are you going to have to look at cutting staff, cutting hours? What are the steps that you would have to take?

Mr. Keith Simmonds: Cutting hours and cutting staff is not something that we would look at. We need to continue delivering quality products and services, full stop.

To mitigate, we will have to better manage expenses and there will be some pass-on to the consumer with respect to rate and costs. We plan for that on an annual consumer price index-relevant percentage. This will be a jolt, for sure, that will not impact the number of pack members, as we call them.

Mr. John Yakabuski: You've said you'd increase prices, because that would be one of them.

Mr. Keith Simmonds: There would be price increases that would possibly be more than an annual increase, yes. We will have to curtail expenses on things like capital improvements, for sure.

Mr. John Yakabuski: But any of those changes, then, does that not affect—I mean, if you raise prices, there is a limit. You can't just keep raising prices, or the customer stops coming. If you can't invest capital into your business, then the service that you could provide, your infrastructure and everything will start to deteriorate. Is that not—

The Vice-Chair (Ms. Ann Hoggarth): Thank you. We'll move to the third party. MPP Forster.

Ms. Cindy Forster: Thank you for being here today. We heard from the chamber this morning that the profit margin in the food and beverage tourism industry here in Niagara is between 2% and 5%. Is it any different in the hotel sector, particularly when you have amenities such as Great Wolf's?

Mr. Keith Simmonds: Food and beverage is a tough one, always. Margins are thin. I can't speak to the performance of others. What I would say is that for our property, we would charge—our guests are with us for an extended period so we try to make sure that our prices are

something that a family can enjoy and absorb on a two-night stay.

Ms. Cindy Forster: Okay. We also talked with the chamber about the kinds of things that business would like to see when these wage increases are implemented in 2018 and 2019, so such things as addressing energy costs, employee transportation around Niagara—because we don't have an integrated system and so there's difficulty attracting employees out of wherever they happen to live in Niagara—and having the second-highest business tax in the country. Can you comment on any of those kinds of things and how that would assist you in being able to implement these wage increases?

Mr. Keith Simmonds: Transportation is a big one for sure. When you look at the breadth and distance within our region, from Port Colborne and Welland and so forth, that is a challenge to get people to these busy spots, centralized Niagara, Niagara-on-the-Lake and so forth.

What we look to do is manage our levels of revenue with strong promotions and then manage our expenses with efficient workforces. We work with our pack members on transportation—I'm not sure if I'm answering your question directly. But we will continue to reach out to employees to see how best to schedule and make it affordable and convenient to get to work, given that we're 365/24/7.

Ms. Cindy Forster: But are there other things that the government could do to assist you—with perhaps some offsets to these wage increases through government programming, like summer student wage subsidies or those kinds of things?

Mr. Keith Simmonds: We always try to take advantage of that, yes, when possible. I believe that is possibly after the horse has left the barn. The main number that we would focus on is what is the increase, what is the cost of it, how can we work with the government to find a more balanced and incremental role out of it. Then if there are programs after the fact, we would work towards that as best possible.

Ms. Cindy Forster: Mr. Gates may have a question.

The Vice-Chair (Ms. Ann Hoggarth): MPP Gates.

Mr. Wayne Gates: A couple of things: One, we know that in the province of Ontario, your hydro rates have gone up 300%. When I've been at Queen's Park, I've raised the expense for a water park, which is—we have a water park, obviously, in this property owned by them and your own. So I'd like you to touch on that. I'm going to do a couple of questions, and then hopefully you can do that.

1350

The other thing is, we're proposing pharmacare. I noticed, which I don't think was picked up by either one of the other parties, that it sounds like you do provide some benefits for your employees as well. Would the pharmacare for everyone help offset—because you were talking about offsets that the city did. Pharmacare could be a good offset if you're paying for benefits.

On the other one, I think that some people should know—because, as you know, I've been there a number

of times with my kids and my grandkids. Your particular workplace in Niagara Falls may be a little different than some. It's just as hard sometimes to get a room in your business in Niagara Falls almost year-round, now that you've been so successful. That's the good news.

The 700 jobs that you were talking about: Never mind the pay scale, but for the overall 700 jobs, a lot of them could almost go year-round, because you've been successful, which is a good-news story in Niagara Falls.

I think the hydro is really important to talk about as well, so I'd like to hear how much your hydro has gone up. Because that water park is outstanding—we all know that—but it's got to cost you a fortune to run it.

Mr. Keith Simmonds: We definitely spin the meter, both gas and electric. I don't know the precise number, but what I do know is that—

The Vice-Chair (Ms. Ann Hoggarth): Thank you.

Mr. Keith Simmonds: —in the last 12 months, we've spent 450-odd-thousand—

The Vice-Chair (Ms. Ann Hoggarth): Thank you. If you have a further written submission, you can submit it to the Clerk of the Committee by 5:30 on Friday, July 21. Thank you for your presentation.

Mr. Keith Simmonds: Thank you for your time.

MR. DAMIN STARR

The Vice-Chair (Ms. Ann Hoggarth): The next presenter is Damin Starr. Do you have a submission, sir?

Mr. Damin Starr: Yes, I did prepare a copy of what I have to say. Thanks.

The Vice-Chair (Ms. Ann Hoggarth): If you would state your name for the official record, please, and then your five minutes will start.

Mr. Damin Starr: Okay. My name is Damin Starr. I am a resident of Hamilton, but I have a small business with my wife here in Niagara.

When I first entered the world of business ownership, the objective of keeping costs low to maximize profits seemed simple. Reflecting on my manufacturing company, I remembered profits being king.

Although I kept up with minimum standards, it wasn't long before I found myself surrounded by very capable people who were feeling underpaid and unmotivated—the stuff you wouldn't normally see in a flashy PR package. While sales were high, so was my employee turnover, and I spent more and more of my personal time training and covering shifts, to stay productive.

Eventually, I hit an economic crossroads, and I took that opportunity to re-evaluate where things were going wrong. I realized that temp staff didn't feel secure; some permanent staff had secondary jobs; time with friends and family was sparse; and, inevitably, most struggled to pay their bills—including myself.

Without any doubt, their challenges were an anchor, and the thought of employees having to work multiple jobs presented an unforeseen condition of fatigue. I needed to adjust, and the changes needed to happen fairly quickly.

Today, my wife and I continue to own and operate a small business here in Niagara. We champion the entrepreneurial spirit, but we strongly encourage the development of good job strategies. Joining business partners through organizations like the Better Way Alliance and Living Wage Ontario, we are committed to creating decent work opportunities and ensuring that wages reflect no less than the basic realities of day-to-day life. In exchange, we have a productive workplace in a highly competitive market. I'm proud of the reliable, focused staff, and I respect their need to know that there is shared value in the company's success.

I feel that Bill 148, the fair jobs act, is simply catching up with reality, and I am confident that many Ontario workers would agree. Let's just face it: Government bureaucracies tend to move at a snail's pace, and the business community is generally the first to complain about it.

The term "working poor" is a very real term, and its impact on everyone is measurable. Poverty brings with it a diminished sense of self-worth, puts a chronic and costly strain on our health care system, and it perpetuates a negative cycle through generations.

With nearly 25% of Ontario's workforce being positively impacted by improved employment standards, I need not implore your social conscience—just your common sense and a few basic mathematics skills should suffice. Heck, you can't grow an economy when you have a quarter of your workforce that's making less and less each year that they can spend.

Those currently lobbying for the lowest common denominator or even suggesting an extended implementation might be laying on the "sky is falling" rhetoric a little too thick. It's highly unlikely their own pay stubs reflect earnings that are less than \$15 an hour.

Historically, these debates are predictable. Some may say this is all too soon, but if you were to ask somebody earning \$11.40 an hour, I think you know what the answer would be: It's long overdue.

A positive contribution to our economy through employment is deserving of fair consideration. These adjustments are levelling the playing field for business and bringing legislation in line with common expectations.

Though I know many voluntarily take steps to understand and work through operational challenges, workplaces that model themselves on minimum standards are relying on the government to do the homework for them. So Bill 148 should be a welcome piece of legislation; the homework has been done.

Knee-jerk reactions are highly probable in the face of change, but we all must remember that supply and demand determines and keeps prices in check. Positive stimulus into the local economy, and those who will have the ability to spend more in local businesses, should give naysayers pause.

Generally, entrepreneurs don't pack up and run. So, in the spirit of business, let's be innovative, let's be organized, and let's make our economy work for everyone. Let's not be afraid to raise our expectations.

The Vice-Chair (Ms. Ann Hoggarth): Thank you, sir. This round will begin with the official opposition. MPP Oosterhoff.

Mr. Sam Oosterhoff: Damin, thank you very much for coming in today and for presenting your perspective on this issue. We've had a lot of people bringing in different concerns. Right before, we had someone coming forward who has 700 people working at their facilities.

I was just curious: You didn't describe it here, and I'm sorry if this is prying, but what sort of business do you operate?

Mr. Damin Starr: We have a small manufacturing company, not too far from where you represent, just on the waterfront, behind Prudhommes Landing—or the old Prudhommes Landing, the new development that's happening there—right across from the Vineland research plant. We have a small manufacturing company that supplies parts, primarily for locomotives but for various industries.

Mr. Sam Oosterhoff: How many people, roughly, do you employ?

Mr. Damin Starr: We have five employees, on average, annually. It does increase, depending on the economy. We have 5,000 square feet there, so we wouldn't want to drop anywhere lower than three employees on the floor at any one time—so that keeps that perspective.

Mr. Sam Oosterhoff: How long has your business been in operation?

Mr. Damin Starr: This particular business has been in operation since 2012. I've been at that location since 2005, as owner. But we did have to go through those motions, as I explained here, in order to change the kind of business that we could operate in a productive manner—

Mr. Sam Oosterhoff: I really empathize with your perspective on the snail's pace that government can move at. This is one of the concerns we hear in the development sector, as well, with approvals coming through for housing.

In your business—I'm assuming if it's manufacturing, you've seen your hydro rates increase. Has this had a negative impact on your business as well? Would you say that this combination of bureaucracy, this snail's pace, and hydro rates—what sort of impact has that had on your business?

Mr. Damin Starr: Definitely, cost of operations impact, no matter where it is—so whether it's gas costs, hydro costs, those all impact the business. However, we have to be fair in establishing that right across Ontario, hydro costs have increased, so my competition with other businesses remains the same or similar. Those increases are generally typical across the industry, so the difficulty in our industry would be competing against other companies within the province.

1400

The challenge that I pose here is not so much cost increases, as long as they're fair and consistent across the province. What we're seeing here is wages that are

inconsistent across the province. There are a lot of people in our industry who are employing people at \$11.40 an hour and they're competing against individuals, like myself, who pay a living wage. Although we may brag that our quality is better, sometimes many customers lean to the lowest common denominator.

Mr. Sam Oosterhoff: It's easy to speak about the province, but obviously we also live in an international order, where we have to deal with competition across the border. Are you part of the Niagara Industrial Association at all?

Mr. Damin Starr: No, I am not.

Mr. Sam Oosterhoff: Okay. I met with leaders from the NIA and they mentioned—I'm sure you speak with peers about this as well. They say it's cap-and-trade, then it's the increase in hydro costs, the cost of regulations and now the minimum wage. There are people within the NIA who say, "We're going to pack up and leave. We've pretty much had it." Are you hearing this at all from any of your peers, in discussions with people in the Niagara region?

Mr. Damin Starr: As I mentioned, I think a lot of people lean to the knee-jerk reaction in advance of change. I touch on that as being what it is, and that is a knee-jerk reaction. Obviously, supply and demand determines why an entrepreneur would do their business, just as I would. If that were the case when I was struggling, I would have closed my business. Instead of looking at being innovative and creative and looking at other ways to balance my books and make my workplace decent, I might have packed up and left, if that were my way of doing things. Individuals I associate with generally don't pack up and leave.

Mr. Sam Oosterhoff: I applaud you for being innovative and creative. That's amazing. That's what we like to see here in Ontario.

I'm just curious, though: You had this eureka moment, if you will, where you realized that it was better for you to increase the wage. I'm just curious how long that implementation took. Let's say you were paying people this \$11.40 and you decided, "I want to be paying my people \$15 an hour." Did you decide that on a Friday and then on the Monday you implemented—

The Vice-Chair (Ms. Ann Hoggarth): Thank you. We'll move to the third party. MPP Forster.

Ms. Cindy Forster: Thank you, Damin, for being here today and bringing us such a good-news story.

I'm glad the member from Niagara West—Glanbrook raised the issue of the Niagara Industrial Association, because I remember being there in 2016 for one of their general meetings. There was a business person there with a company in Niagara and I believe they made equipment that moves manufacturing pieces. He talked about the success of his business and how part of that was paying his employees well, having them be part of the decision-making; and not to be ashamed about having a higher price for your goods as long as you've got a quality product. He even talked about having a lifetime warranty on the product that he made, and that by doing that and

going out and actually repairing equipment, if it faltered in some way, he was able to take business from his competitors, whose equipment was falling apart in two to three years, where his equipment was lasting companies a lifetime. Here was an entrepreneur who they highlighted that day, who said, "Let's not race to the bottom. Let's try and move everybody up."

We heard, in the last seven or eight days, about two companies that started their business model making sure that they were paying a living wage from the day they opened their doors. One was a very successful bakery in Ottawa; another one was an architectural firm, I believe, in Kitchener-Waterloo. So it was good to hear your story with the transition.

Mr. Damin Starr: Again, I wish I had that foresight. I began my business—I hate to use this term because sometimes it can be used degradationally—old school, where the bottom line is important. What I realized was that I leaned too far that way. Balance is always important. If I had the foresight and I was able to do it all again, I would have tried to avoid what I went through for about a five-year period.

Ms. Cindy Forster: By using temporary agencies in the beginning, you were probably paying twice as much, or more, to temporary agencies to have employees who really weren't satisfied because they weren't getting the vast majority of the dollars that you were actually paying.

Mr. Damin Starr: Actually, I was disconnected from them; in fact, that was the whole purpose. The temp agency allowed me to disconnect myself from the employees so I actually didn't know until I began to experience and see what I was suffering with. Then I began to dig a little deeper, and I found that it just wasn't something that was conducive to my business—not to impose that on anybody else; I just say it wasn't conducive to my business.

Ms. Cindy Forster: And you didn't have to reduce your workforce, moving to that new model?

Mr. Damin Starr: No.

Ms. Cindy Forster: No. Wayne?

Mr. Wayne Gates: Hey, how are you? I've met you before so this is not a surprising question, but I think it's good—

Mr. Damin Starr: Unfortunately, for you.

Mr. Wayne Gates: Yes, that hurts. I'll write that down in my notes, too.

Mr. Damin Starr: Not for me; for you.

Mr. Wayne Gates: That's cool. It's fine.

First of all, congratulations on how you're doing your business model and that it's successful for you. I know you went through a number of personal issues as well, going through this as a small business owner.

You can correct me if I'm wrong, but the one thing that you did find when you paid a living wage—you had employees who were loyal, who stayed with you through thick and thin; your productivity probably increased; I would think the quality of the work went up. But a big one that costs a lot of employers a lot of money is absenteeism. Maybe you could elaborate on whether you saw any of those issues with your employees as you

became successful as a businessperson. Also compare the tough times, what it was like, to where it is now, paying a living wage, because I think we'd find it interesting.

Mr. Damin Starr: Repeatedly in our work environment, we would have individuals who couldn't show up for work. Absenteeism was quite predominant there. The difficulty was, as a small business owner, that falls on my shoulders to make up the difference, because generally things need to get done in a timely manner—so absenteeism is one of those things. Moreover, those who simply didn't show up then didn't come back. That was really, really difficult, because I didn't know that many of them had secondary jobs and so when those opportunities arose, they just didn't come back. In that case, I ended up retraining—

The Vice-Chair (Ms. Ann Hoggarth): Thank you.

Mr. Wayne Gates: Thanks, buddy.

The Vice-Chair (Ms. Ann Hoggarth): We'll move to the government. MPP Martins.

Mrs. Cristina Martins: Thank you very much, Damin, for being here and for your deputation here this afternoon. I want to congratulate you. I know that you were—I'm not sure how long ago, exactly—honoured by the Niagara Poverty Reduction Network as the first employer in Niagara to be a living wage employer. I wanted to congratulate you on that.

I've been travelling with the committee since last week. We've been hitting a lot of different cities and meeting a lot of different individuals who have come to present. Ms. Forster across the way did mention two employers we did have an opportunity to hear from. One was that very successful young lady from Ottawa who had the artisan bakery, and the other one was the small manufacturer in Kitchener-Waterloo. Just yesterday, I believe, we were in Kitchener-Waterloo. They, too, are living wage employers. I believe both of them started their business as living wage employers. You've made that transition. And yet we heard this morning from the Greater Niagara Chamber of Commerce—and to use your words here—suggesting that the sky is falling if we were to increase to a \$15-an-hour minimum wage. This is a chamber that represents, I'm sure, businesses that are a lot larger than your five-, six-, seven-employee, small manufacturing business. You've been able to do that, and these other two smaller businesses in Ontario that we spoke to earlier were also able to do that.

What advice do you have for these larger businesses in terms of helping them, perhaps, with their business plan to get to that living wage?

Mr. Damin Starr: There are two things here. We're talking about a \$15 minimum, and then there's a living wage standard which actually is a calculation that's provided to us by Ontario Living Wage Network that is significantly higher.

For me, it was taking a proactive approach and seeing what is going on in our local economy. What happens with things like transit? I know in our area, in Lincoln, we don't have public transit so my employees require a car to get to and from work. If I don't take the consideration to put that into my wages, it's impossible for people

to legitimately come to and from work, without those considerations in my mind. So how do I do that from an overall point of view?

1410

My advice to them would be: Look at the location of your business, look at the amenities that are in the proximity of your business, evaluate what it is that you, as an employer, would find of value coming to and from this workplace at a specific wage. If you can find balance in that, I think you'll find, like I did, that very similar—the expectations that I had were the expectations of my employees. It's just that they didn't have control of their wages; I did.

Mrs. Cristina Martins: We also heard from many employers, and this is also from the little bit larger ones as well—they did admit and say that when you have a higher minimum wage, there is more employee retention, you have less turnover, not having to reinvest in training new people. You have loyal employees. They're happy, they come to work. But they also say that now, with this potential increase in minimum wage, we're going to see part-time jobs lost and we're going to be creating more full-time jobs. That's what they're going to have to do, is let go of all their part-time people and have full-time employees.

Would you not think that having more full-time or creating more full-time, higher-paid jobs would be a good thing for our province and for our economy?

Mr. Damin Starr: Can I answer that flat out? Definitely. I don't see anything detrimental about that. However, if an individual's workability is in the part-time area, then I would welcome that too.

However, again, it's the employer's position to encourage that. I would think they would want more full-time employees. I've definitely benefited in that capacity.

Mrs. Cristina Martins: I guess the changes that we're making here as part of this unprecedented review—we haven't looked at this piece of legislation in well over 25 years. So some of the changes that we're making—not only in minimum wage, but in terms of scheduling, in terms of vacation pay, paid sick leave, coupled with 25% off your hydro starting July 1. We have free tuition for over 210,000 students across Ontario. We have free pharmacare for anyone 25 and under, so no copayment, no deductible, free medication. All you need—

The Vice-Chair (Ms. Ann Hoggarth): Thank you.

Thank you, sir, for your submission. If you would like to submit a further written statement, it has to be in to the Clerk by 5:30 on Friday, July 21. Thank you.

Mr. Damin Starr: Thank you, everyone, for allowing me the opportunity to speak.

BROCK UNIVERSITY
FACULTY ASSOCIATION

The Vice-Chair (Ms. Ann Hoggarth): I'd like to call the Brock University Faculty Association.

Do you have a submission?

Dr. Simon Black: Not to pass around, but I do have a submission to make.

The Vice-Chair (Ms. Ann Hoggarth): Okay, thank you. If you would state your name for the official record, and your five minutes will begin.

Dr. Simon Black: Good afternoon. My name is Dr. Simon Black. I am an assistant professor in the department of labour studies at Brock University.

Let me start by saying that like many who have presented before you today and in past weeks, I am pleased that the government is taking steps to bring more fairness to workplaces across Ontario with the introduction of Bill 148.

Among other things, Bill 148 takes important steps toward ensuring equal pay and equal access to benefits for part-time, contract and temporary workers. The bill includes modest improvements to scheduling rules, and it would make it easier for workers in some sectors to join unions.

Today, though, I would like to focus my remarks on one of the most welcome components of the bill, the increase of the minimum wage to \$15 an hour by January 2019.

Before I do that, however, I would like to salute and acknowledge all those everyday working-class folks, from child care workers to auto workers, retail clerks to adjunct professors, airport workers to the folks serving coffee at the local Tim Hortons, to students, trade unionists, seniors and single moms who have made this bill a reality. For this bill, whatever its deficiencies, should not be seen as a gift bestowed upon low-wage workers by a benevolent government; it should be seen as the product of social movement organizing and activism, petitions, protest and persistence.

This is a sign that democracy in this province, beyond the halls of power and routine elections, is indeed healthy, and that, regardless of one's political stripe, is something to celebrate and applaud.

Now, as for the \$15 minimum wage, I firmly believe that a \$15 minimum wage advances both social justice in this province and makes good economic sense. A \$15 minimum wage will help lift low-wage workers out of poverty. Higher minimum wages lead to greater wage compression—that is, smaller differences between those at the top and bottom ends of the income scale—and thus promote equality.

Furthermore, minimum wage workers, and precarious workers more broadly, are disproportionately women and people of colour. Not only do we advance economic justice with this bill, but we also advance justice for workers who have historically, and continue to face systemic barriers to advancement in the labour market.

In this way, Bill 148 advances economic justice, gender justice and racial justice. This has not received a great deal of attention in public discourse around the bill.

As I said, a \$15 minimum wage also makes good economic sense. There are good economic reasons to raise the incomes of low-wage workers. In the context of relatively slow economic growth post the 2008 financial

crisis and the recession that followed, aggregate demand in our economy needs a boost. As those with lower incomes spend more of what they earn than those with higher incomes, raising the minimum wage will improve macroeconomic conditions overall.

For years, we have heard that raising the minimum wage will kill jobs, raise prices and cause businesses to flee Ontario. These opinions are out of line with the latest economic research. Twenty years of studies from the US, Canada, the UK and elsewhere have established a scientific consensus that there is little to no job loss associated with minimum wage increases.

There are many possible reasons for minimum wage increases to lead to little or no job loss, as you've heard from some of the small business owners presenting here today. Studies have found that lower turnover, more on-the-job training and higher productivity can all flow from a minimum wage increase. In short, raising the minimum wage makes for better, more productive workplaces.

There are improvements that can be made in this bill. Strengthening employment standards is vital, but more workers also need access to a union. Extending card-check certification to all sectors would push us in this direction.

In closing, I think that low-wage workers, including those who are working at minimum wage, have for too long looked at the political class in this province and seen a class that is too well-adjusted to injustice and well-adapted to indifference. With this bill, you have a chance to show them otherwise. Thank you.

The Vice-Chair (Ms. Ann Hoggarth): Thank you. We'll go to the third party. MPP Forster.

Ms. Cindy Forster: Thank you, Simon, for being here. Did you need a minute to finish up your presentation?

Dr. Simon Black: No, I'm fine. Thank you.

Ms. Cindy Forster: You got to the end. Okay.

Thanks for your presentation. Certainly you've highlighted all of the important aspects of increasing the minimum wage. While we've travelled the province, we've heard from many of your colleagues in I think every university in every region we've been. It seems to me that there is a real divide with respect to tenured professors and adjunct professors or contract professors; the names kind of change from place to place, but you know what I mean.

1420

In some situations, those professors are teaching equal amounts of courses, but they're not receiving equal amounts of pay, and in some cases, we heard that 50% of the professors are not tenured and they're earning as low as 60% of what a tenured prof makes. Can you comment on what's happening locally here?

Dr. Simon Black: This is similar to what's happening at Brock University. We tend not to think of the academic and university sector as a site of low-wage, precarious employment, but indeed, as you have pointed out, it is.

I think the provisions in the bill, especially those around ensuring equal pay and equal access to benefits

for part-time workers, would address some of the disparities that currently exist between tenure-track professors and those who are on contract or who are adjuncts, what we call part-time professors.

Ms. Cindy Forster: Wayne, do you have any questions?

The Vice-Chair (Ms. Ann Hoggarth): MPP Gates.

Mr. Wayne Gates: Yes. Thank you very much. Do you have any idea what the difference would be in pay between the different professors that are contract and full-time? Do you have any idea what the difference is?

Dr. Simon Black: The differences can vary widely by university and, within universities, by department. It depends, because there are differences in pay within departments among tenure-track professors, as well as differences within faculties, beyond departments.

Some contract faculty members may be teaching one course, or they may be hustling and teaching one course at Brock and two at Laurier and maybe driving down to London to teach one at Western.

I can't give you an exact figure, but there is a wide discrepancy between what tenured professors take home and what the average non-tenured professor would.

Mr. Wayne Gates: Seeing you're at Brock—there are a lot of students. I had a lot of students from Brock University at my nomination meeting last night. What's the feeling at the university around the minimum wage? Do they talk about it? Is it a non-issue?

Dr. Simon Black: We've been very pleased this year to see students active and mobilized around this issue. We had two days of action, which the labour studies students' association took the lead in organizing, around the \$15 and Fairness campaign. Students were very receptive. We collected hundreds of signatures on petitions in support of the \$15 minimum wage.

For a campus that does not have a reputation for being that politically active, we see the kind of activity and interest around this issue as being a good sign for the university, for student activism and for the health of democracy on campus and beyond.

Mr. Wayne Gates: I was there, and I know Cindy has been to Brock as well, to talk to the students. At the meetings that we've had, where the students talked to us, they talked about the fact that as they're putting themselves through school, in order to pay for their rent, their food and their books, a lot of them are working two jobs. I don't think a lot of people realize that. You can let me know if that is kind of accurate. What they're doing is getting home at 2 or 2:30 in the morning. Then they have to get to class, and they're balancing everything.

Are you seeing a lot of the students, or young people—who, quite frankly, are our future—doing that as they put themselves through school, because of the rates of pay for students?

Dr. Simon Black: Students are definitely struggling with higher tuition rates as they've increased over the years, but, as you say, also with low-wage work that they're engaged in, trying to pay for their tuition, their books and their living expenses.

We do hear from students and about students who are having to work multiple jobs to sustain themselves—

The Vice-Chair (Ms. Ann Hoggarth): Thank you.

Dr. Simon Black: Thank you.

The Vice-Chair (Ms. Ann Hoggarth): We'll go to the government. MPP Martins.

Mrs. Cristina Martins: Thank you very much, Simon, for being here and for your deputation.

It's interesting that you, as a man, were talking about the importance of minimum wage and how it was going to lift mainly women—the immigrant women and the marginalized women—in our communities from poverty, from having to live paycheque to paycheque, and from having to have two, three or four jobs.

I've been with the committee for about seven days now. I do have my colleague here, Harinder Malhi, but for the most part, I was the only woman on this side. So I was making sure that the woman's voice was heard—and as an immigrant as well—to convey how important it is that we do lift these women out of poverty, and that we do provide them with a little bit of extra money in their pocket so that they can buy an ice cream for their child or buy that soccer ball for their son. So I'm commending you for raising that here today.

Perhaps you can speak a little more to that. Here at the hotel—and I made this comment this morning; I'm not sure if you were here—about 99.9% of the cleaners that I walked by in the hallways were women, and they all had an accent. They all came from a different country, like many of us here in this province. Perhaps some of them don't even understand English sufficiently to understand what their rights are, and so really don't have a voice. What would raising the minimum wage mean for these women?

Dr. Simon Black: My area of research is, broadly, feminist political economy. In layperson's terms that just means that I study how the economy interacts with gender and, specifically, with forms of work, traditionally in which women have been over-represented, including both unpaid and paid care work.

The \$15 minimum wage is a matter of gender justice and racial justice, as I said in my remarks. The importance of raising the minimum wage for women in the low-wage economy cannot be overstated. But there is also the issue of access to unionization. I would like to see in this bill card-check certification extended to a range of economic sectors, beyond what has been outlined. It's important that card-check certification is being extended to home care workers. I think that's a great victory for home care workers.

But, in order to lift women out of poverty, for those who are working in low-wage jobs, such as those in a hotel or other sectors similar to this, in retail and beyond, access to unionization, a union, is the best way to lift those workers out of poverty and to ensure that they have dignity and respect on the job.

So I agree that yes, a \$15 minimum wage is very important, and it is a matter of gender justice; but I would like to see us go beyond that and push even further when

it comes to the circumstances of low-wage women workers, including immigrant workers, racialized workers, domestic workers, care workers, nurses and beyond.

Mrs. Cristina Martins: You also made mention of tuition and the rate of the increase in tuition. You probably are well aware that, starting this September, the government of Ontario has introduced a new OSAP program—new assistance for students, for mature students as well—where if the family income is less than \$50,000 a year, they're going to have free tuition. We're going to be helping over 200,000 students across the province with this new OSAP program. What impact of the free tuition do you think that this is going to have on students who perhaps never saw this as an opportunity?

Dr. Simon Black: I think it will have a positive impact, no doubt. I think that broadening access to post-secondary education, college and university, is both about fostering and improving the human capital we have in this province. But it's also about education being a right that all Ontarians should have. All Ontarians should have access to post-secondary, should they want to go down that route.

So I think it's a step in the right direction. I think education, though, is a right, and I would like to see university and college be accessible to all who want to attend, regardless of their income and their socio-economic status.

Mrs. Cristina Martins: I'm going to pass it to my colleague.

The Vice-Chair (Ms. Ann Hoggarth): MPP Dong.

Mr. Han Dong: How much time, Chair?

The Vice-Chair (Ms. Ann Hoggarth): Twenty seconds.

Mr. Han Dong: Twenty seconds? I'll be very quick. We heard a lot of debate about this bill. It took two years of consultation. Overall, as a whole, what are your thoughts about this bill?

Dr. Simon Black: Do I have 20 seconds to respond, or was that just 20 seconds to ask the question?

The Vice-Chair (Ms. Ann Hoggarth): Time is up. Sorry.

Mr. Han Dong: You could have said "good" or "bad."

Dr. Simon Black: Overall, good.

The Vice-Chair (Ms. Ann Hoggarth): I will now move to the official opposition. MPP Yakabuski.

Mr. John Yakabuski: Thank you, Chair, and thank you, Professor Black, for joining us this afternoon. You touched on a lot of things. What you didn't touch on—my colleague from the third party did mention it—you're the first person from a faculty association not to raise what has been presented as inequity within the university system itself, and that is the difference between how tenured and non-tenured professors are paid. But you did talk mostly about the minimum wage.

You talked about studies that have shown that there is little or no negative economic impact. Is it fair to say, though, Professor, that every study is commissioned by someone, and that the studies that have come up with that

conclusion have been commissioned by advocates for a \$15-an-hour minimum wage? We accept that people who are advocating are going to have studies conducted. But there also studies that have said the opposite. There are studies that have come out that said that there will be negative impacts.

1430

In the absence of studies, which are sometimes a little abstract, we have people who are genuinely saying—and I recognize, to be fair to the businesses that have been here, some small businesses have said that they're paying a living wage. Well, good for them, but they're not going to be impacted. They're not going to be impacted in any way by the changes in the legislation if they're already there.

What we're trying to establish are the challenges that are faced by those people who are not already there—and it's easy to say, "Well, they should have been there." I know we've heard that too: "They should have been there already." That's not the case; we can't turn the clock back. We've got all of these businesses that, for whatever the reason is, are paying below \$15 an hour today. In fact, many of them have presented throughout these hearings over the last week and a half.

I guess my question to you is, do you not recognize the challenge that these people are facing if, with little or no notice, on June 1 they find out that by January 1 their wages to a segment of their employees—and maybe all of them; I don't know the individual situations—that cost is going to rise by 21%, and within a year after that, by a further 10%? Do you not recognize that the challenge that those businesses face is real?

Dr. Simon Black: I'm hearing two different things in your question, and correct me if I'm wrong. There's a questioning of the empirical evidence that suggests that increasing the minimum wage does not have any harmful impact in terms of job losses in the economy—

Mr. John Yakabuski: Well, there are competing studies, for sure.

Dr. Simon Black: There are competing studies around climate change, as well, but there's an overwhelming consensus among climate scientists that climate change is, in fact, driven by human activity. In economics, over the last—

Mr. John Yakabuski: Well, the majority of studies that have been done on minimum wage—

Dr. Simon Black: Sorry, if you'd allow me to finish.

Mr. John Yakabuski:—have been conducted by people who want to see it happen.

Dr. Simon Black: There has been a tectonic shift in opinion in the economics profession over the last 20 years due to overwhelming empirical evidence against major job loss in the event of minimum wage increases. I would not call scholars out of the University of Berkeley biased or driven by bias. I think those in the social sciences take scientific objectivity seriously.

We've seen Nobel Prize winners in economics, a range of scholars, economists—just recently 53 economists signing on to a letter that was published in the

Toronto Star. There is a consensus in the economics profession that an increase in the minimum wage does not lead to massive job loss, or even nominal job loss.

The second half of your question was on the timeline for an increase in the minimum wage and whether or not the schedule, by January 2019, is indeed too fast and will have a harmful impact on businesses. Workers who are working in poverty need a \$15 minimum wage right now. They need it for their families. They need it to sustain themselves, to be able to provide the things that their families need to survive and to thrive. And those workers, workers who are on low wages and who have very small discretionary income—

The Vice-Chair (Ms. Ann Hoggarth): Thank you.

Dr. Simon Black: —an increase in their income will result in them spending that money in the local economy, which benefits business.

The Vice-Chair (Ms. Ann Hoggarth): Thank you. Time is up. If you have a further written submission that you'd like to submit to the Clerk, it needs to be submitted by 5:30 on Friday, July 21. Thank you, sir.

Dr. Simon Black: Thank you.

NIAGARA SECONDARY UNIT,
ONTARIO ENGLISH CATHOLIC
TEACHERS' ASSOCIATION

The Vice-Chair (Ms. Ann Hoggarth): I now call on the Niagara Secondary Unit of OECTA. Do you have a written submission?

Ms. Lisa Bowers: Not to share, no.

The Vice-Chair (Ms. Ann Hoggarth): Okay. If you would identify yourself for the record and proceed with your five-minute presentation.

Ms. Lisa Bowers: Thank you. Lisa Bowers.

Good afternoon. I'm a secondary teacher and I have recently become president of the Niagara Secondary Unit for the Ontario English Catholic Teachers' Association. I'm here on behalf of the 500 secondary teachers I serve.

Teachers are privileged to have unions. We benefit from all of the provisions achieved through negotiating a collective agreement. I am incredibly grateful for the security the union provides, and I believe that all workers in Ontario deserve the same access to a union that I have.

The people I love have suffered through their lack of access to a union. My father was let go from the bank where he worked when he got cancer.

I can do this. I'm an emotional person.

The Vice-Chair (Ms. Ann Hoggarth): I understand.

Ms. Lisa Bowers: My husband and my brother are unable to find respectful full-time work. Many of the students in my classroom are hungry or have to come in to school exhausted because they are working in precarious employment. Their families have to choose between food and rent.

It might sound like I'm going to talk about the minimum wage, but I'm actually going to talk about access to unionization. Bill 148 does not go far enough to raise standards. Changes to Ontario's outdated labour laws

will directly benefit nearly 60% of the workers in Niagara based on the fact that half of our working population in St. Catharines and Niagara make less than \$30,000 a year. I want us all here to think about that. Half of the workers in Niagara make less than \$30,000 a year.

Extending card-based certification for all sectors in Ontario is the first step in providing every worker with the constitutional right to unionize. Unions should also have greater access to contact information, to make it easier for unions to communicate with workers in these workplaces, small and large. It shouldn't matter, the size of the workplace; it shouldn't matter, the nature of the workplace. They should have access to unions.

I am going to tell the story of two brothers from the Catholic school system, and I'll try to do it the best I can.

Jason is 17. He just graduated as an Ontario Scholar. His brother is Michael. He just graduated from grade 8. Their mother came to this country five years ago, following the brutal murder of their father, her husband. She came here to look for a better life for her children.

Michael has taught himself to play piano, in large part to cope with the fact that he has sickle cell anemia and is often in pain.

They are living in poverty. Natasha has worked for four out of the five years since her arrival in Ontario, and they are living in poverty. She has her master's in psychology. She worked for 15 years at a university in the West Indies. She and her husband had owned a small, successful business. She was used to a workplace that demanded problem-solving and creativity. She was used to being treated with respect and dignity. When she came to Ontario, she had no idea that she would quickly become a member of the working poor.

This is a quote she told me: "This is not the Canada I expected to find." She and her children have often had to choose between food and rent. She has been in the debt collection agency, working in call centres, since about six months after she arrived. She was told to lie to clients and to leave her heart at home. Whenever her son, Michael, is in the hospital, she has no access to benefits, leave or job protection. The only reason Michael is with us today is because there's a doctor at McMaster University, at the hospital, who has paid for his prescriptions out of his own pocket.

Without access to a union, Natasha and her family were barely surviving. A woman of colour, a single mother, had become the working poor in Ontario.

She found a better job, but was told that she would never get more than 20 hours a week. Even though it had benefits, training and respectful work, there was no way she could survive on 20 hours a week. Unfortunately, those 20 hours almost always were during weekends and holidays. She had to leave that employment.

She now works again in a call centre as a debt collector. When the computer system goes down at work, she is sent home without pay for the day. She has talked to her co-workers. She's asked them to help her work for better working conditions, to ask for better working conditions. She's told to be quiet or she'll be fired. She

knows that she will lose pay every day that her son is in the hospital because he continues to suffer from his condition. She can only pray that they will have enough money to survive.

1440

I'm asking you, please, to consider—

The Vice-Chair (Ms. Ann Hoggarth): Thank you very much.

Ms. Lisa Bowers: Okay. Thank you.

The Vice-Chair (Ms. Ann Hoggarth): We'll open this round with the government. MPP Colle.

Mr. Mike Colle: Thank you very much, Lisa, for wearing your heart on your sleeve. As a former OECTA member for many years and a former OECTA rep in my high school in Toronto, I am proud that there are still passionate teachers like yourself—passionate about their students and the families that they teach. I think you are a credit not only to OECTA, but to the teachers who are working in Niagara.

What do you teach, by the way?

Ms. Lisa Bowers: Thank you. I teach philosophy, English and religion.

Mr. Mike Colle: Good, good. By the way, you mentioned sickle cell anemia. There has been some excellent work done recently out of Toronto General Hospital and SickKids hospital. If that young boy's family wants to get in touch with Dr. Pendergrast at Toronto General Hospital, they have some new protocols; or the doctors here in Niagara could get in touch with the doctors there at Toronto General Hospital about treatment protocols.

Ms. Lisa Bowers: Thank you. I'll pass that on to Natasha.

Mr. Mike Colle: Yes, it's such a silent, painful disease that really puts children especially, and everybody, through hell.

By the way, come January 1, the pharmacare will be put in for children and young people under 24, so that should help—

Mrs. Cristina Martins: Under 25.

Mr. Mike Colle: Yes, under 25.

The one thing you've hit home with is that we're talking about real people, working people, the working poor. This is what I keep trying to understand. So many people think, "Well, these are people who are just working for extra money," but these are people working to make the rent, put food on the table, pay for doctors' bills, whatever it may be. It's not as if they're working to buy extras. I think you've illustrated that in your example.

What kind of work does that mother do, again?

Ms. Lisa Bowers: The only jobs she can find employment in are call centres that are—I think because her first job was in debt collection. She doesn't understand why she doesn't get callbacks for other jobs either, because she has an incredible resumé. But it seems she's kind of stuck in debt collection, in the call centre cycle. The turnover in those jobs is incredible. She's just really holding on as tight as she can to a paycheque.

Mr. Mike Colle: And what is she getting paid? Do you know?

Ms. Lisa Bowers: I could be wrong—but when I told her that I was focusing on the union aspect, she said, "I don't make minimum wage." I said, "What do you make?" She said, I think, \$13.25.

Mr. Mike Colle: And she's only working, as you said, 20 hours a week or something—

Ms. Lisa Bowers: That was a good job that she had before. Now she has access to 40 hours a week, but unfortunately, because of her son, she's often not able to work because she's with him in the hospital. There's no security, there's no stability. Even her employer has told her to—he won't call on her in meetings because he doesn't want to hear what she has to say. She's very charismatic and she gets the highest rate of calls. The money that she's bringing in to the company is—she's at the top of the chart every month, but that means nothing. They just write her name on the top of the chart.

Mr. Mike Colle: So they give her a star beside her name, yet they won't pay her an extra dollar an hour.

As you've rightly said, this is what this bill is all about. We had a professor here who was very articulate about the economic evidence. We've got the opposition saying the sky is falling if we do this. But you see the real-life reason why we need to bring about labour reform and bring about an increase in minimum wage.

Ms. Lisa Bowers: I see so many of my students are in crisis every day. I think of all the studies we look at, we can agree—

The Vice-Chair (Ms. Ann Hoggarth): Thank you. We'll move to the official opposition. MPP Yakabuski.

Mr. John Yakabuski: Thank you very much, Lisa, for joining us this afternoon, and thank you for bringing us those stories. Everyone is concerned about those who live in a precarious work environment. We would all like to see the standard of living of everybody go up. It is a question of fair debate as to how we get there.

But, for example, the lady you're talking about: The cost of living that she's dealing with, much of it has been brought on by the government in question, on the other side, when we talk about the cost of hydro and other cost-of-living issues that everybody faces. No matter what income level you're at, if we weren't looking at a 400% increase in the price of electricity over the last 14 years, we would all be better off. We would all have a little bit more money in our pocket. I think that's fair to say.

Ms. Lisa Bowers: I think there are a lot of areas we could improve. She's also on a list for subsidized housing, but things take time. The system could be improved in myriad ways. I don't think pointing fingers at this point is what we need. I think we really need a concerted, united effort to improve the lives of people right now, today, living in this province.

Mr. John Yakabuski: There's no question about that, Lisa. You're absolutely right. But I don't think we can ignore the fact of why people are in difficult circumstances. It didn't happen overnight and it didn't happen by accident.

Ms. Lisa Bowers: As a philosopher, I think that's a chicken and an egg kind of question, and I'm not comfortable answering it.

Mr. John Yakabuski: That's fair. But we all know what has happened. You pay hydro bills too; I pay them. We all know what has happened to them.

As for the government saying that the opposition is going around saying the sky is going to fall, the opposition has said no such thing. We're only articulating and repeating what we have been told at this committee and across the province by small business.

We're not talking about the Walmarts of the world. The Walmarts of the world are going to survive no matter what happens. They're so big; they're bigger than the economies of most of the countries in this world. They're going to be fine. They're not going to be affected; they're not going to be hurt.

But what we hear all the time, Lisa, is about the small business that all of a sudden is going to be told, "You have to start paying this wage starting January 1, 2018, and this wage starting January 1, 2019." Are you concerned at all that some of those businesses might be less inclined to offer employment to people like the lady that you were speaking of?

Ms. Lisa Bowers: I'm concerned about any employer who can pretend they don't have a relationship with that employee that extends beyond that wage. To ask people to work full-time and live below the poverty line, I think, is criminal.

Mr. John Yakabuski: I was in business. I came home to run our family business in 1981. We didn't pay people minimum wage; we always paid them more. By 1983, we had a benefit plan in place for them. It paid long-term disability, drug benefits and dental benefits. We had employees who worked for us—it was my parents' business before it was mine. One gentleman came back from the war, like my dad did, and worked for us for 30 years. We had a lady who worked for us for 40 years, because we did treat them like family. I understand that and I respect—because employees were family to us.

But I also cannot ignore the fact that everybody out there is now being told they have to make this adjustment within a very short period of time. I understand you're advocating, and I appreciate that and I respect that—

Ms. Lisa Bowers: I think I have a solution for you, though. I think if we looked at instead—there are value-added aspects of work. Those include benefits, those include paid sick leave, those include emergency leave days and those include job stability, not contract flipping. I think there are a lot of ways we can add value for the worker in Ontario beyond what it says they get paid per hour.

I would encourage this committee to really look at access to unions as a way to relieve the pressure and the strain, because I do believe that unions raise the standard of living for everyone.

1450

Mr. John Yakabuski: Lisa, thank you very much for joining us today. I appreciate it.

Ms. Lisa Bowers: Thank you.

The Vice-Chair (Ms. Ann Hoggarth): The third party: MPP Forster.

Ms. Cindy Forster: Thank you, Lisa, for being here. If you wanted to take a couple of minutes to finish your presentation, to get to all your points, go ahead and do that.

Ms. Lisa Bowers: Thank you. I was just going to restate my points.

Ms. Cindy Forster: Go right ahead.

Ms. Lisa Bowers: Jason, Michael and Natasha have supported each other through the most challenging times. Doesn't Natasha deserve the peace of mind that comes with job security and benefits? Imagine what Jason and Michael can accomplish if they are fed and clothed and know their mom is not suffering undue stress.

Please give every worker in Ontario the right to pursue their fundamental freedom to associate meaningfully in the pursuit of their collective workplace goals.

No one should be forced to work in a toxic workplace that nurtures a culture of fear. Strengthen access to unions, so that those experiencing those poisoned workplaces have somewhere to turn.

Ms. Cindy Forster: Thank you, Lisa.

Ms. Lisa Bowers: Thank you.

Ms. Cindy Forster: I was surprised to hear today the fact—I can't remember who brought it up—that 75% of minimum wage workers work for large corporations.

MPP Gates and I will tell you that here in Niagara—and you'll know, from living here—we have lost tens of thousands of manufacturing jobs, where we had 3,000 to 5,000 employees in the day. At the end of the day, as those factories closed, as they moved to other places—some of them moved to Mexico; some of them merged and went back to the States; wherever they went—the workers thought that they were protected.

Even in these companies where people were making a decent wage and were able to support their families, they thought their pensions were protected and they thought their benefits were protected. They made their investments, if they had any, based on the fact that they would have \$2,000 a month or \$3,000 a month, only to find out, at the end of the day, that those companies didn't fully fund their pension plans and didn't put enough money in the bank for their benefits. Today, like we heard about Sears in the last week, although there's \$10 million left, at the end of the day, that money is going to the top 30 or 40 executives instead of going into the pension plans of those Sears workers, who worked for minimum wage for the most part, a lot of them, for 30 and 40 and probably, for some of them, 50 years.

I totally understand what you're saying about your brother and your husband not being able to get decent jobs paying a decent wage that can support families. So I know you're here to make sure that that doesn't continue to happen here in Niagara and across the province.

On the issue of pharmacare, we heard that the government is bringing in a pharmacare plan for zero to 24 and a half, or 25. But in fact, the people that you're talking

about in your description here today, in your example, would benefit from a universal pharmacare plan, like what many unionized workers in this province have, right? The NDP believe that a universal plan that applies to everybody, from zero to 65, would in fact be a better plan for all of us.

Ms. Lisa Bowers: I agree. Young people are a product of their homes and their families, When I see students at school, I know they have a story. They're coming from their story, and we can't make assumptions about their story.

I also can't hear the word "Walmart" without thinking of the 1980s and when we started to strip back antitrust legislation, which allowed corporations to get as large as they have.

I can't help thinking about free trade, because I was involved when NAFTA was happening. I was worried about NAFTA, because I knew that by making something free, somehow that wasn't going to trickle down to the worker on the floor—and there wouldn't be floors after a while, if we weren't careful.

So I ask this committee also to be very much aware of what is recent history. We're not going that far in the past when we look at what has brought us to this moment. Let's do the right thing. We're all connected. Thank you.

Mr. Wayne Gates: Have I got time?

The Vice-Chair (Ms. Ann Hoggarth): You've got 40 seconds.

Mr. Wayne Gates: I'll talk quick.

Hi, Lisa. How are you?

Ms. Lisa Bowers: I'm well, thanks.

Mr. Wayne Gates: I think you brought up a very important point on the card check. Why you came here today, to get back to your presentation, is that it's a mistake by the Liberal Party to not include all sectors of the workforce that want to join a union.

Ms. Lisa Bowers: Yes.

Mr. Wayne Gates: I belong to a union. I'm proud to say I've been a union member my entire life, and you know what happened? My kids were able to go to school. I was able to afford to put them through baseball and figure skating. I had a house. I put them through university. And guess where they are today? They're teachers, as you know.

So I would really like them to take another look at the bill. If they want to join a union, they should have that right. If they don't want to join a union, they don't have to.

The Vice-Chair (Ms. Ann Hoggarth): Thank you very much for your presentation. If you wish to send us a written submission, you need to send it to the Clerk by 5:30 on Friday, July 21.

Good luck with your new position.

Ms. Lisa Bowers: Thank you.

NIAGARA WORKERS ACTIVIST GROUP

The Vice-Chair (Ms. Ann Hoggarth): Next is Lisa Britton.

Do you have a written submission?

Ms. Lisa Britton: Yes. Who do I hand it to?

The Vice-Chair (Ms. Ann Hoggarth): I'm sorry, but your shirt—you cannot have that on in here. You're going to have to turn it around, please.

Ms. Lisa Britton: Okay. Just give me a minute. Why is this a problem?

The Vice-Chair (Ms. Ann Hoggarth): Because that is a rule in the Legislature and we stated—

Ms. Lisa Britton: Sorry.

The Vice-Chair (Ms. Ann Hoggarth): The lady has a sweater. Sorry.

Ms. Lisa Britton: Okay.

Ms. Cindy Forster: A point of order, Madam Chair.

The Vice-Chair (Ms. Ann Hoggarth): Yes?

Ms. Cindy Forster: We had people all last week wearing "\$15 and Fairness" buttons.

The Vice-Chair (Ms. Ann Hoggarth): No, we made them take them off.

Ms. Cindy Forster: Yes, we did.

Ms. Lisa Britton: Well, there we go. That's about as good as I can do at the moment.

The Vice-Chair (Ms. Ann Hoggarth): Thank you.

Ms. Lisa Britton: You're welcome.

The Vice-Chair (Ms. Ann Hoggarth): Please state your names for the record, then you may begin your five-minute presentation.

Ms. Lisa Britton: My name is Lisa Britton. I am the co-chair of the Niagara Workers Activist Group. We've been part of the Fight for \$15 and Fairness movement since 2015.

Niagara needs a \$15 minimum wage now. The most plentiful and undervalued work is in the customer service sector here in Niagara. There are retail jobs in large stores like Walmart, and work in smaller chain stores and gas stations. Call centre jobs are plentiful, especially in St. Catharines and Welland. Restaurant work is easy to find. In Niagara Falls, we have a thriving tourism industry. However, it's all hard, stressful, low-paying, precarious work. Niagara workers have been struggling to survive for decades. It's time to change that. It's time for decent work in Niagara.

I had low-wage customer service work for more than 20 years. I started working at Zellers in 1995 and full-time at a call centre in 1998. I kept Zellers for the second paycheque. I was raising my children and needed every dollar I could get. I thought full-time work was a path out of poverty, but it's not. With low wages, a job just isn't a path out of poverty.

In 2003, I began to have back pain. My pain resulted from working on cash at Zellers and from sitting all day at the call centre. I saw my doctor, followed his instructions and carried on as well as I could.

By 2005, I began having frequent migraines while at the call centre, and I quit a couple of years later.

I was okay at Zellers, so I made myself available to work full-time hours. I worked up to 30 hours a week, depending on the time of year. Hours fluctuated wildly according to the season. My expenses didn't fluctuate

with the seasons, though. I had to pay the rent and bills anyway. It was stressful and exhausting.

My husband had full-time work as a chef, so we could get by. He was an unpapered chef, so he struggled with low wages despite his talent and years of experience. He had to stop working in 2008 from severe back problems.

I had to change jobs at Zellers in 2009. I had been diagnosed with osteoarthritis and degenerating discs, and needed different work. I changed to the stock team, who worked overnight. I was scheduled for 35 hours a week, and life was less stressful. But in 2010, the hours were changed to early mornings and dropped from seven hours to four and a half hours per shift. I worked there until 2011, when my hours were cut to nine a week. After 15 years, I'd had enough.

I got hired at a Petro-Canada, where the shifts were eight hours long. By that time, I was walking with a cane from arthritis in my knees. I'd injured both of them a few times when I was younger. Working midnights suited me just fine, because it wasn't as busy and I could work at my own pace. It was just above minimum wage, four nights a week.

After about three years, my hours were reduced, to two shifts and then one shift a week. All the years of being exploited and undervalued began to hit me. I felt helpless, like I was disposable. I finally quit after nearly five years because it just wasn't worthwhile anymore; I developed chronic pain from arthritis and my mental health was suffering greatly. That was in 2015.

1500

It's no secret that there's a lot of poverty in Niagara. According to the United Way, one in seven people in Niagara are in poverty. A \$15 minimum wage will lift people up to the poverty line by January 2019. The current minimum wage of \$11.40 an hour is a cruel joke. We're human beings, and we deserve to live on our wages, no matter what the job is.

A \$15 minimum wage will bring many benefits to Niagara and all of Ontario. Today, 11.6% of all workers make minimum wage or less. That's 675,000 workers, the highest percentage in the country. Over a quarter of Ontario workers make less than \$15 an hour, nearly 1.5 million people. The flip side of this sad state of affairs is that nearly 1.5 million workers will benefit if the minimum wage is raised to \$15 an hour.

A \$15 wage will put over \$5 billion in workers' pockets every year. That's an average increase in disposable income of over \$3,400 per year. Workers spend their earnings in their communities, so Niagara's economy will improve.

Ontario is the last jurisdiction to pay students a sub-minimum wage. Liquor servers are also paid sub minimum. I ask for an amendment to Bill 148 to remove the sub-minimum wage for students and liquor servers.

A \$15 minimum wage will come too late for me. I'm disabled and must rely on ODSP to survive. I fight for my children and grandchildren. I don't want them to suffer the way I have. I don't want them to struggle just to pay for rent and food. I want every worker stuck in a

low-paying job to be paid better and treated fairly. I want my friends and neighbours to have a better quality of life. For these reasons, I'm part of the Fight for \$15 and Fairness movement. I'm proud to co-chair the Niagara Workers Activist Group and proud of the people I work with. We're fighting for decent work.

Thank you for your time and attention today.

The Vice-Chair (Ms. Ann Hoggarth): Thank you. We'll open this round of questioning with the official opposition. MPP Barrett.

Mr. Toby Barrett: Thank you for coming forward and describing your previous work experience in spite of some of the challenges and things that have occurred. You mentioned ODSP, the Ontario Disability Support Program. We know that over the years there has been a significant increase in poverty in Ontario, in spite of so many programs. Specifically with the disability support program, a certain percentage are able to work. Everybody wants to work, in my view, for the value of work.

Are you still able to work at all on the disability program?

Ms. Lisa Britton: I'm doing the Fight for \$15 and Fairness work. I'm an activist. That's my work now.

Mr. Toby Barrett: Okay. So, after \$200, then the money gets clawed back.

Ms. Lisa Britton: I'm not paid.

Mr. Toby Barrett: Oh. Okay. Fine.

I think my concern is that first of all, for those who are able to work when they have certain disabilities, after \$200 there's this clawback. That seems unfair, that they would be supporting the government program that they're part of. I guess the most important thing is to attempt to get people back to work.

You mentioned there are, I believe, 1.5 million people who are under \$15 an hour. To move the 1.5 million people up to \$15 in the next year in a half, we are going to lose jobs. I am very concerned we're going to lose jobs, and I'm thinking specifically of those jobs that people on disability are doing in the hospitality industry, the tourism industry and the fast-food industry. Any comments on that? It means they won't be working at all.

Ms. Lisa Britton: You're concerned about the loss of jobs because of a \$15 minimum wage. Correct?

Mr. Toby Barrett: For those people who get an opportunity, even though they're on disability. Many of the fast-food companies, I find, in my area, have been very good at bringing people on board.

Ms. Lisa Britton: Right. Okay. Bruce is going to supplement my presentation.

Mr. Toby Barrett: Sure. Bruce?

Mr. Bruce Allen: I'll be brief. Bruce Allen. I also work with the Niagara Workers Activist Group, and I'm a past official with Unifor.

The reason I'm here is that there has been a serious oversight in the drafting of this legislation. Its provisions do not take into account what its impact will be on WSIB loss-of-earnings benefits for injured workers deemed to be capable of performing a job at the wages below what they earned when they were injured.

A case in point from recent history—and this is local—is instructive: A decade ago, an auto parts plant here in Niagara Falls, Edscha of Canada, closed. There were close to 20 injured workers employed in the plant at the time of the closure. I represented them and sought to get them on WSIB loss-of-earnings benefits, then available to workers in the event of a workplace disruption such as a closure. I succeeded in doing this for 14 Edscha workers.

Those workers were earning about \$23 an hour at the time of the plant closure. They went through what was then the WSIB's Labour Market Re-entry program and were retrained with the objective of re-entering the workforce to do work which was medically suitable, given their injuries. In each case, the WSIB deemed them capable of earning minimum wage. Consequently, when they completed Labour Market Re-entry and were released into the labour market, they were entitled to 85% of the difference between the wages they were earning at the time of their injury at Edscha and the minimum wage the WSIB deemed them capable of earning. This benefit would come in the form of a partial loss-of-earnings benefit to be paid until they turned 65 years old. Based on the minimum wage at the time, the difference worked out to about \$1,000 per month for each of these people. Had the minimum wage been \$14 or \$15—

The Vice-Chair (Ms. Ann Hoggarth): Thank you. We'll move now to the third party. MPP Forster.

Ms. Cindy Forster: Thank you, Chair. Thank you, Lisa and Bruce, for being here.

Bruce, if you want to just finish up on that deeming piece, I think that is an important message for the committee.

Mr. Bruce Allen: It will only take a minute.

Ms. Cindy Forster: Go ahead.

Mr. Bruce Allen: Having a minimum wage of \$14 or \$15 per hour, the difference would have had much less meaning and much smaller partial loss-of-earnings benefit for these workers. What would that have meant? For some of those injured workers, the income from the WSIB of about \$1,000 a month kept food on their table and saved them from losing their houses. For all of them, it guaranteed them at least a subsistence income in the event they did not find medically suitable work and were unemployed.

Now, you may be thinking they could have just gone out and found work, but these were physically disabled, middle-aged workers with the stigma of being WSIB cases: Very few employers would hire them, and those who would hire them would expect them to work like fully able-bodied workers, which these workers were not.

It is noteworthy that I was unsuccessful in getting two injured Edscha workers on benefits and into retraining; what became of them? They got minimum wage jobs doing medically unsuitable work that put them at serious risk of making their injuries worse.

To conclude: What will raising the minimum wage do for injured workers who are let go by their employers and retrained by the WSIB? It will slash their benefits once

they are sent into the labour market. Consequently, the only way to avert this, given the legislation being discussed here, is to have the WSIB's operational policy simultaneously altered so that badly needed hikes in the minimum wage will not affect the entitlements and livelihoods of injured workers. Specifically, the WSIB's policy of deeming must go. Thank you.

Ms. Cindy Forster: Thank you, Bruce. I guess the message to the committee is that there need to be some changes made to the WSIB legislation as well, to make sure that injured workers who may already be living in poverty aren't more impoverished by the amendments that are being made to the ESA, to the labour code and to the minimum wage.

Mr. Bruce Allen: If there aren't corresponding changes, that will be the effect.

Ms. Cindy Forster: Right.

And to you, Lisa, there's been some suggestion in every community that's we've been in that there's no guarantee that people moving from \$11.40 an hour to \$15 an hour are going to spend their money in the local community. There has been suggestion that they could make their purchases online, that perhaps they're going to use that \$3,400 to take a vacation or whatever.

1510

What I see that money being used for is perhaps getting a better apartment or housing, buying better food instead of having to buy off the sale racks in the grocery store, perhaps sending your kid to some recreational activities, perhaps doing some repairs on your car that isn't working in your driveway, or perhaps even buying a used car. All of those things would go into the local economy.

Ms. Lisa Britton: Yes, they absolutely will.

Ms. Cindy Forster: Are there other things that you see people using that extra \$3,400 a year for?

Ms. Lisa Britton: Maybe they'll be able to go to the movies once in a while with their kids. More and better groceries will suddenly become available. As a side effect of a \$15 minimum wage, we're going to see better health across Ontario, which means that we're going to save money because health care costs take the biggest chunk of the pie for the budget.

Ms. Cindy Forster: Perhaps mum and dad will be able to pay for some of their prescriptions. Probably not all, but that would help their health as well; right?

Ms. Lisa Britton: Yes.

Ms. Cindy Forster: Then there were other parts of the bill as well around the ESA, around better scheduling for part-time and full-time workers and cancellation pay in the event you don't have enough notice, and three weeks' vacation if you're employed with the same employer for five years, which I believe is unlikely—even looking at your resumé and the difficulty you had because of your injuries.

Ms. Lisa Britton: Yes, and I was stubborn. I stuck it out. I was at Zellers for 15 years, and I was unusual. I saw a lot of people in and out of there. They'd work for six months or three months, and then they'd quit. The

turnover in retail and in restaurants is really high. One of the benefits to employers is that with a better wage, they're going to have employees who are more invested in their jobs, who care more about their jobs, and so therefore they're going to have less turnover.

The Vice-Chair (Ms. Ann Hoggarth): Thank you. We'll move to the government. MPP Martins.

Mrs. Cristina Martins: Thank you very much, Lisa, for being here and for the courage to share your story with us here today. I had an opportunity to read an article about you, and I was very moved by the experience that you had. There was a phrase in there that struck me. You said something about how poverty is about the human experience.

Ms. Lisa Britton: Yes.

Mrs. Cristina Martins: Earlier today, we had an opportunity to hear from the Interfaith Social Assistance Reform Coalition, which said, "As people of faith, we believe that every human being has value and dignity, and thus our public policies and employment/labour relations standards must reflect this belief in the value of every human being."

Over the course of the last seven days being on this committee, there was a suggestion that came from my colleagues over on the other side that perhaps we need to keep minimum wage where it is right now and the solution was actually just to increase social assistance for those who are on social assistance. Is that the human experience that you would want to have? What's the human thing to do?

Ms. Lisa Britton: The human thing to do is to raise the minimum wage to \$15 an hour and increase social assistance—that would be OW and ODSP—by at least \$100 right away. That's the "put food in the budget" portion. So, yes, \$100 right away to OW and ODSP would help a lot of people. It would be a good start.

Mrs. Cristina Martins: I know that you have been quite the advocate, as a woman advocating for the public in general but also as a woman, as a single mom, and struggling and having to work all of those different jobs, different shifts, and trying to make ends meet for yourself and for your children.

There was a study that came out last week and there was an op-ed on Friday that spoke to the fact that if we treated women with the dignity that you've referred to, in the article that I read about you, and gave them the \$15 an hour, they thrive, and that when women thrive, their communities thrive, their workplace thrives, their families thrive. Can you speak to me a little bit about that?

Ms. Lisa Britton: Absolutely. I left my first husband in January 2001. I took my children in the middle of the night and fled to a women's shelter. I did that because at the time I was actually working full-time hours at the call centre, I had benefits and I had all that. I had a wage at the time of around \$13 an hour, so I had the confidence to be able to leave, knowing that no matter what, I was going to be able to cover the rent and the groceries. The basics were going to be taken care of, my children were going to be taken care of, and we were going to be safe.

Mrs. Cristina Martins: You also mentioned that perhaps, this change in the minimum wage is not necessarily going to help you right now, but you were fighting as fiercely as you are and with such passion because of your grandchildren. The minimum wage increase coupled with free tuition for families with a \$50,000 family income or less, free medications for those 25 and under, 25% off hydro—is this going to help people thrive? Is this going to be putting more money into Ontarians' pockets so that they can spend that back into the economy?

Ms. Lisa Britton: Those are all measures in the right direction toward making Ontarians more prosperous and have healthier lives, yes.

Mrs. Cristina Martins: How much time, Chair?

The Vice-Chair (Ms. Ann Hoggarth): A minute and a bit.

Mrs. Cristina Martins: Okay. You talked about the servers. It was quite interesting. We were out to dinner up here at Clifton Hill last night with some colleagues, and I was chatting up the server and just finding out—he asked, "Oh, what are you here for?" So we told him we're part of a committee and travelling the province to get feedback on a \$15 minimum wage. He said, "Wow, that would be fantastic. Does that include me?" Well, we have a different scale right now, currently, that's being proposed for servers.

We talked a little bit about tips, because we've heard from those people who have restaurants—large chain restaurants, as this one was—that waiters can make up to about \$30 an hour or so. But it was interesting: He said that at the end of the night, they have a 3% tip off. I thought, "Oh, okay, so they have to give back 3% of their tips to the staff"—the wash staff in the back, the people who are prepping the food. It was 3% of his sales. So if people decided to leave and not leave him a tip, that money was coming out of his pocket. Do you think that's right?

Ms. Lisa Britton: No, that's not right, and that's part of the challenge that servers face in earning tips.

My husband worked as a chef for many years, so this is something that he's got experience with. We've had many conversations about it.

The Vice-Chair (Ms. Ann Hoggarth): Thank you for your presentation. If you would like to submit a further written submission, it needs to be in to the Clerk by 5:30 on Friday, July 21.

Ms. Lisa Britton: Thank you very much.

BROCK GOLF COURSE INC.

The Vice-Chair (Ms. Ann Hoggarth): I'd like to call on Brock Golf Course Inc.

Do you have a written submission, sir?

Mr. Andrew Julie: I don't, no.

The Vice-Chair (Ms. Ann Hoggarth): Okay. Thank you. If you will state your name for the official record, your five minutes will begin.

Mr. Andrew Julie: Thank you for having me today. My name is Andrew Julie. My wife and I are owners of Brock Golf Course in Fonthill. I know you've heard arguments on both sides of this today, so I wanted to tell a little bit about my story.

I grew up on a golf course built by my grandfather, operated by my parents and now by my brother. Golf is something I've always loved, but as I grew and finished university, I realized it wasn't something that could support our entire family, so I left the golf industry. I spent 10 years in Toronto working hard, along with my wife—both in corporate jobs, trying to better ourselves.

But 10 years later, we found ourselves in Toronto spending our days on the GO train and working in offices. It wasn't that fulfilling. So we took advantage of the rapid house price increases in Toronto and made the decision to sell our house and use that for a down payment so we could buy Brock Golf Course. It has been in Niagara, a staple of the golf community, since 1963. It was something that had been neglected for a few years, so had come down to a price that was possible for us to purchase.

It's definitely a unique fixer-upper, and we're working very hard to do that. It's our passion and it's something we want to do. I'm here today because I want to make sure that it is something we can afford to continue to work on moving forward.

With regard to our staff—I guess I should share this. We have 11 employees. Of those, only one relies on the golf course for his full-time income, and he does already make more than the \$15 proposed. Of the other 10, four are retirees, all on pensions from various jobs. They work part-time, not by my choice but by theirs, because they just want something to do to get out of the house. They love the golf course. I think they enjoy the free golf benefit as much as the paycheque. So we have four retirees working. The other six are students. A couple are recent graduates who are doing this for a summer before they move on to other careers and other things.

1520

I share this because I think a lot of the discussions, as you've just heard, are about a living wage for families and for full-time work, but that's not the reality of seasonal businesses like a golf course. We rely on students. We rely on retirees. Many live in households with incomes that far exceed my own, and have incomes far exceeding ours. We all do it because we love it.

A minimum wage is not just a minimum wage for a family; it's a minimum wage for every person working. I think that for a seasonal business, that puts a struggle on it. It means, in many cases, that for a small family business there is still someone left well below the poverty line and that can be the owner. That's why I'm here, because the reality is that at our course, I'm the only one supporting the family off of the income of the business, and this significantly challenges that ability, particularly because we're only in our third year of ownership, so the struggles of repairing the course and fixing it are quite high.

That said, there are a few concerns I have, really focused on my own story, but those of other seasonal businesses, particularly in the golf industry.

In section 21 of the bill it discusses the three-hour minimum in two different aspects. One is with regard to showing up for work—that you be paid for a minimum of three hours. I don't know of anyone who would ever schedule a shift of less than three hours or try to achieve an extremely short shift from any employee. But the reality is that things do happen. For us, storms and that are definitely covered in the exceptions, but there are other issues that come up. The most common that I can think of is equipment damage. So if an employee comes and equipment is damaged or breaks, for our grounds crew, potentially there's nothing for them to do today. I have some seniors who come on the weekends. They just do it to get out of the house. They cut the greens, they rake the bunkers and then they go home for the day. It's a relatively short shift. If they get there in the morning and something would happen to that equipment after a half hour, there is nothing for them to do. I know that with my own staff, it's not a concern for them. They don't want to waste my time and I don't want to waste theirs, so they say, "Okay, let me know when it's fixed," and they'll come back either later in the day or the next day when things are operational.

In that regard, I would ask consideration to the three-hour pay minimum. I think that while reasonable from a scheduling perspective, when you look at the exceptions—I think the exception portion needs to be expanded to reflect the realities of many workplaces.

Also in section 21, in point 6, it discusses the 48-hour notification for a shift. I would like to also recommend that seasonal businesses be exempt from that. As you know, golf courses are extremely weather-dependent, and while storms are covered, it isn't only storms that impact us—

The Vice-Chair (Ms. Ann Hoggarth): Thank you, sir. We'll go to the third party. MPP Forster.

Ms. Cindy Forster: Thanks for being here today. If you'd like to just finish your points, go ahead and use a couple of minutes of my time.

Mr. Andrew Julie: Thank you. With regard to the 48-hour notice, certainly we don't want to cancel shifts, but something such as a bad weather forecast can decrease business by 25% or 30%. I think more flexibility in that regard is a reasonable request for a seasonal business or any outdoor business.

Finally, because our staff are seasonal, they have ample vacation time over the winter. The public holiday pay, the vacation pay, increasing it after five years to a third week doesn't give our employees any more time. It's simply one more increase in the income we're going to pay them. I don't see that it's fair because it doesn't improve the quality of their life for more time off; it just increases their pay on top of the proposed.

Ms. Cindy Forster: You haven't spoken generally to the wage increase—you've spoken to the other pieces—

other than the majority of your employees aren't dependent on this to raise a family.

Mr. Andrew Julie: Yes, exactly. In general, on the wage increase, I definitely support a continued increase. I think the current set-up of increasing it with the consumer price index is very reasonable; it's something businesses can manage. I think my concern with this is the suddenness of it. There's really no time to plan for this, and for us, we really don't know what the impact is by the end of next season. If it's in place, we have to see where we're at. There's just no time to prepare for it. I think that if you're going to go to this level, a much longer term would be good. I do think that, again, separating out those supporting a family to just kids who want a fun summer job—I don't know that that level is necessary.

Ms. Cindy Forster: So, when and if this legislation moves forward, are there things that the government can do to assist you in some way, whether it be more student summer employment programs that offset wages, or business tax offsets, hydro increase offsets?

Mr. Andrew Julie: Yes, and some of those are already in place. We've tried for the past two years, I know, hiring co-op students. We're right between Niagara College and Brock University. Niagara has their sport and leisure degrees. Niagara also has a golf management program. Brock University has a rec and leisure degree. Hospitality roles are appropriate for co-ops, and there are benefits to doing that.

To be honest, we've tried to build those relationships. We haven't been successful in hiring a co-op yet. It's just that the demand isn't—it hasn't worked.

So, yes, I think there is more that could be done to help encourage us, if we're going to be hiring students who know it's not their career. An easier-to-follow program to do that would be wonderful.

Ms. Cindy Forster: When you had those kinds of relationships with Brock and with the college, were those unpaid internships or paid internships?

Mr. Andrew Julie: No—paid internships—but we looked into it, and there were a variety of tax benefits and that, that overall would make the cost of having those employees less than paying someone not there as a co-op student.

Ms. Cindy Forster: Wayne, do you have any questions?

The Vice-Chair (Ms. Ann Hoggarth): MPP Gates.

Mr. Wayne Gates: How you doing? I've actually golfed at your golf course—not well. I wasn't a bad goalie; I'm a terrible golfer. But I have been up there a number of times and enjoyed the course.

My colleague touched a little bit on some of the things on the minimum wage, on offsetting. It hasn't happened, probably, in the clubhouse that much, but I'm sure it has increased around hydro costs and some of those things.

When she talked about the student part of it, on the vacation part of the bill—it only increases after five years. Do you keep students for five years?

Mr. Andrew Julie: For students, it's unlikely, but I do have the handful of seniors who work for us who, I think, would like to be there as long as possible. So it would impact those few employees.

Mr. Wayne Gates: Do you have some retirees? Because I know it's not just your golf course where retirees love to get the free golf. It's kind of what our retirees do right across Niagara, right? They help out with the tournaments, and then they end up golfing for the summer and stuff. I know it's very important for the retirees to continue to do that. That's kind of like their getaway from home, and to have a purpose, and they enjoy it.

Mr. Andrew Julie: Exactly, yes. We don't do any on a volunteer basis. All of our retirees who work for us do have other income, but we do pay everyone. But then we do also give them free golf as a benefit. I think that's more why they do that than the paycheque.

Mr. Wayne Gates: The other thing which is interesting to me is—because I've said this about a hundred times around interns—I was very impressed that you said it hasn't quite worked out the way you had hoped, the partnership between Niagara College and Brock. But I'm glad you paid them.

The Vice-Chair (Ms. Ann Hoggarth): Thank you. We'll move to the government please. MPP Rinaldi.

Mr. Lou Rinaldi: Andrew, thank you for being here and for expressing some of your concerns—and they're valid. One needs to understand that what the committee is doing at present is something that we don't normally do at Queen's Park, which is to go out for consultation after first reading of a bill. So we want to make sure, as the bill progresses through proper steps, that from the outset, we get some good feedback. I think you bring something to the table when it comes to seasonal and weather-dependent.

I've been self-employed all my life in a small business, although my son has taken things over. We're more weather-dependent than a golf course, if you can believe that, so I truly understand where you're coming from.

From the outset, I think there are some provisions in the bill right now that deal with weather-related issues when it comes to the number of hours and whatever. I think we want to make sure that we get that right as well. It's already there, but to hear from different businesses that might be impacted in some ways—I think you bring something to reaffirm that.

Also, you brought up some issues related to other parts of the bill. All I'll say is that's really helpful to the government and to this committee to hear those things, because you try to be perfect from the get-go, but it doesn't work all the time.

1530

Did you want to expand any more on the piece about seasonal and weather-related challenges that are in the bill?

Mr. Andrew Julie: Yes. Two parts: One is the 48-hour notice. That is a challenge for us, because we don't always know—I know there is an exception in there; I

don't think it is as robust as maybe would be ideal for us. So I think some rewording and some work there to give us more flexibility would be ideal. Again, I think that most honest, hard-working business people are not trying to do that to their staff. If they have to cancel a shift, it's for a realistic business reason.

Also, because a lot of them are part-time, I struggle with the change to the vacation pay calculation. I have employees who are working one or two days a week for a summer season, maybe 50 days. Well, there are six public holidays during that, and all of a sudden I go from paying them representative of their hours' work to essentially another full day. So they're working 50 days, I'm paying them six extra, plus I'm now giving them, potentially, two sick leaves—eight days of potentially pay with no work on only 50 days' work. It's quite a significant increase.

Mr. Lou Rinaldi: I think the Chair is going to indicate to you, when we're all done, that you have until the 21st of July, at 5:30 that day, to get any further comments in. Although you've been very specific—and the staff and the Clerk are certainly making notes—if you'd like to reaffirm those things specifically dealing with your business and businesses like yours, please put something in writing and make sure it reaffirms, if you'd like to. We'll leave that to you.

Mr. Andrew Julie: I will do that.

Mr. Lou Rinaldi: Thank you very much for being here.

The Vice-Chair (Ms. Ann Hoggarth): We'll move to the official opposition. MPP Oosterhoff.

Mr. Sam Oosterhoff: Thank you very much for being here today. Thank you so much, also, for returning to Niagara. We appreciate it.

I'm sure the member from Welland and the member from Niagara Falls have also really seen a renaissance in Niagara over the past 10, 15 or 20 years. People are coming back to Niagara as a place with high work-life satisfaction, growth in the economy and prosperity here in the region. We want to see that, obviously, continue as much as possible.

Fonthill is a beautiful town, by the way. I was out there last night. There are a few great golf courses in the area.

What I wanted to touch base on was the implementation and the CPI. You mentioned the CPI and how that was predictable: You knew what that was going to look like next year and the year after, when the minimum wage increase was tied to the CPI. What does this look like in very practical terms? We can talk about big studies where every 10% increase in the minimum wage will result in a 3% to 6% decrease in youth employment. But, for you, what is this going to actually look like? It's easy to be scared. Is this going to result in cutbacks? Or are you pretty much going to have to raise the price—because you run a tight crew as it is, and you're going to have to raise the prices in order to compensate? What does that look like in practical terms for you?

Mr. Andrew Julie: In general terms, if you figure that staff is roughly a third of our expenses, this increase is

roughly a 10% increase in our overall expenses. In the last two years, one was a mild profit; the other was a mild loss. So for someone operating right around that break-even point, it makes it difficult—for loss.

As far as the discussion about increasing prices, this is maybe not the place for the discussion, but we have a real challenge with that. Our biggest competition happens to be Garden City Golf Course, owned by the city of St. Catharines. Just to give you a brief summary: Last year, they earned \$340,000. This year, they've budgeted \$712,000 to operate that course. It's very comparable in size and quality to ours, except that they take \$326,000 of taxpayer funds to top off their income so that they can operate. So for me, as a business owner, it's already very difficult to compete. They essentially charge what we charge. My ability to just say, "Hey, expenses are up 10%. If I charge two bucks more, we can offset that," is not realistic because my biggest competition is a not-for-profit and they don't need to do that. I don't anticipate them trying to help me out down the road.

That's the challenge. It's not just an increase on the expense end; I'm constrained on the profit end as well because of the competition from a government organization.

Mr. Sam Oosterhoff: Thank you. One of the other things that I was curious about, that the member from the third party brought up and which I've been thinking about a fair bit, is, the third party's counterparts in Alberta implemented the \$15 minimum wage that's going to be put into effect in that province. To their credit, they also combined that with a cut to the small business tax. They cut it from 3.5%, I believe, down to 2%—correct me if I'm wrong—and that was as a form of compensation for the realism that this going to have some form of impact. You can debate how extreme that impact will be.

Could you express any interest in what you think an effective way of negating these negative impacts will be? Do you think it would look at something like a small business tax break, a summer student job plan or something like that? Can you think of anything like that?

Mr. Andrew Julie: For my personal situation, because we sort of run so close to that break-even stand-point, a tax break isn't a huge deal because we're not making the massive profits to be taxed anyway.

But we do hire, as I mentioned, a huge amount of students and retirees, so some kind of—maybe, particularly on the student end, it's more realistic—program to help offset that, realizing that these are not adults trying to support a family. They're kids who have other support systems in place, who just want a fun summer job, and that's what we're trying to give them.

If there was some kind of offset, it would make a huge benefit to us. If that was something that could be considered along with this, I would just encourage that it be something really quite simple and straightforward for us to apply to and utilize, minimizing any red tape.

Mr. Sam Oosterhoff: One other question about—and I'm not sure how much effect this will have. Do you have

quite a large amount of people coming across from the United States at all? Or is it pretty much all local people who are playing on your course?

Mr. Andrew Julie: It's very local. Our courses—

The Vice-Chair (Ms. Ann Hoggarth): Thank you for your presentation. If you have a further written submission, we would be glad if you would submit it to the Clerk by 5:30 on Friday, July 21.

Mr. Andrew Julie: Thank you for your time.

THE FORTY PUBLIC HOUSE

The Vice-Chair (Ms. Ann Hoggarth): I now call on The Forty Public House. Do you have a written submission, sir?

Mr. Mark Wood: No, ma'am.

The Vice-Chair (Ms. Ann Hoggarth): Okay. If you could identify yourself for the official record, and then your five minutes will start.

Mr. Mark Wood: My full name is Mark Bruce Wood. I'm the owner and operator of The Forty Public House, an upscale pub in Grimsby, Niagara.

Mr. Sam Oosterhoff: It's a good place.

Mr. Mark Wood: Thanks.

I've been in the hospitality industry for 27 years. I don't want to bore you with a lot of stories—I'd like to get more to the facts at some point—but in that 27 years I've operated many large establishments that did everything from \$1.2 million in sales to \$4.5 million. I worked for large corporations for a long time. I started my career at minimum wage, quite successfully, long before I was able to get myself to this particular point in life.

There are a few stats I'd like to throw down before we get into my personal details. The restaurant industry in Canada directly employs more than 1.2 million people, or 6.9% of Canada's workforce, making it Canada's fourth-largest employer. Canada's restaurants employ 520,000 young people under the age of 25. That is presently one in five youth jobs. Restaurants provide more first jobs than any other industry: 22% of all Canadians got their career started in a restaurant or foodservice business. In Ontario, that comes to 472,800 people directly employed in the restaurant industry today.

At \$14 an hour—the first projected raise; not \$15—my payroll will increase by an estimated \$58,000 in 2018. That is approximately 70% of my projected earnings for next year.

Meanwhile, I am the business owner, and I make less than everyone who works for me. Drastic changes that are going to have to come to my business will take place. The first thing will have to be to let go of all my casual and part-time employees; I won't be able to afford them any longer.

Before \$14 an hour—I can assure you that of the 30 people I presently employ, very few of them rely on minimum wage to support themselves or their families.

I have not entered any information in regard to my opinions on gratuities and minimum wage employees—because—having been one, having been married to one

and having employed a lot of them—employees earning gratuities have never complained to me about the money they make, including the story that was mentioned earlier. He averages 30 bucks an hour, and nobody feels really sorry today for anybody making 30 bucks an hour in gratuities, regardless of what they have to tip out to their fellow employees, who are also working hard.

1540

We employ a lot of students who do not rely on this income to support themselves or their families. The revenue periods of the hospitality industry go very well on evenings and weekends for those trying to put themselves through school and those who have other full-time positions.

I also want to speak for a minute on the employees I have making \$13 to \$15 an hour who are supporting themselves and their families. They have spent many years in their careers working very hard to prove themselves and to get to that point. I can't even imagine what I'm going to do the minute I have to look at one of my full-time adult employees who is presently making \$15 and tell them that after 12 years of hard work in this industry, they're now the equivalent of a minimum wage earner.

There's nothing to prove that the cost of living won't go up with the minimum wage increase. Extra money needs to come from somewhere. The fact that nobody has looked more specifically into what's going to happen with all of this creates a very serious situation for me.

The cost of goods: My suppliers I've spoken to have predicted they'll have to increase my inventory and supply costs by up to 10%, which will increase my costs next year by another \$26,000. This already puts my projected business budget next year at a loss. A smarter man would just close his business and go away. I have to realize here that there are other things that can be done.

We also rely heavily on the purchase of alcohol, both LCBO and Beer Store purchases. It's no secret that the government intends to raise that continually on an ongoing basis, which will increase my costs next year by an unknown amount.

I'll be forced to explain to one of my higher-paid employees why there is no chance that I can afford to once-gain them the position they once had over minimum wage, because when I look at a \$15-an-hour employee and tell them that minimum wage is now \$15, I will already be running at a loss. When they ask, "Why am I making the same as this part-time dishwasher in the kitchen," I'm going to say, "Because the government tells me that they make the same as you do, now." What is it that I'm going to do to make them a more valuable employee? Frankly, nothing, because at this point, I'll already be running at a loss and won't be able to afford to give them any more. I'm concerned about the people who are making slightly above minimum wage and how it's going to directly affect them.

I believe from everyone I've spoken to who sells me products and services that they will have to raise their prices reflective of their increase in costs, as will I.

I take pride in the support of my great community in Grimsby. Historically, I like to use local suppliers and services, and take pride in the fact that I serve Ontario and Canadian products. These days will be over as of January 1. Small local businesses cannot compete with large corporate and import company prices. I will no longer be able to buy from anybody who services me in Grimsby. I will no longer be able to use them for any purpose.

The Vice-Chair (Ms. Ann Hoggarth): Thank you, sir. This round of questioning will begin with the government. MPP Colle.

Mr. Mike Colle: Thank you very much. It's very obvious that you care deeply about your employees and your business. One of the reasons why we're having these hearings, which are the first round of hearings, and then we're going to have more in the fall—is to try to get this first on-the-ground feedback from guys like you who are on the front lines. What we're looking for is the impact of this, and you're giving us that impact.

We're actively looking for suggestions on how we can help guys like you transition through this while at the same time making sure that the Ministry of Labour and our government understand the real-life impact of these changes. Everything is, sometimes, a lot more complicated than it looks. That's why we want to look at ways—and I know we had other restaurant owners here.

Yesterday in Kitchener, one of the things that we brought to the attention of the Minister of Finance was that it seems that the more alcohol you consume in your business, the more you pay for it. That's what we were told by a restaurant owner the other day. We're looking into that to see.

We're looking for other measures that might be able to—you mentioned other costs going up. We're looking for other things that you could suggest, whether now or in the weeks ahead, things that are concrete, whether it's lowering the small business tax rate etc.?

Mr. Mark Wood: I'm about to go into a position where the tax rate on my income is irrelevant because there's not going to be any. This legitimate increase to \$14 an hour is immediately putting my business, which does \$1.3 million a year in sales, at a loss.

I'm a businessman. I can look into ways to cut. I can look into ways to raise my prices, which won't be received well throughout the community either. But realistically, the increase in this one gigantic expense, which is the major component of the industry I work in, and the hospitality business, is such a drastic increase in such a short period of time that it can't be combated.

I don't want to hear about how you're lowering my income tax, or that there's going to be an extra couple of cents available here or an extra program for a part-time employee there. I'm looking at going out of business within five months of having to put out this money, and explaining why all the money I paid into EI to support my employees, all the benefits I paid in to help my employees, which will be gone as well, because I won't be able to afford to support them in benefits—all of that's gone.

I have a five-day-old daughter at home, and a wife who was foolish enough to come to work for an independent business owner—because neither one of us are protected by EI or maternity. We take all the risks, as independent business owners in this province, and get no benefits for it except we're slapped down every time somebody wants a better standard of living. I would also like a decent standard of living. All I want is the right to be able to earn that on my own and support my employees properly.

The \$14 an hour on January 1 is unacceptable, frankly, and too much, too fast. A dollar a year can be maintained. The market can grow, to have your customers understand that. I already have suppliers raising their cost of stuff I'm buying, understanding that their costs are going to go up and they need to put a couple of bucks in the bank before it goes up as well. So this hasn't even happened yet, and I'm already seeing the retribution of what's going to happen because of this, and it's going to come to me too. I can't wait for this to happen. I'm going to need to raise my costs already, to try to hopefully hold on as long as possible, to see if we can figure out what's going to happen.

Lowering the taxes on alcohol, or a little bit of government support here and there, is not the difference. I'm talking about being able to keep the doors open and keep 30 people employed, and continue to contribute my fair share of money to the government: the over \$100,000 I personally raise in HST, the over \$100,000 that my employees pay in personal income taxes because I employ them. That's a lot of money. That's all going to disappear.

And I'm going to have to go take someone else's job away from them, when I'm unemployed, to support my own family.

Mr. Mike Colle: So you're saying basically that there's nothing we can do, if this wage increase goes in, to help you, and that basically, that's what your business is going to be about—

Mr. Mark Wood: Labour is the single highest expense in my industry.

Mr. Mike Colle: Yes, so the labour cost is what's going to hurt you, and there are no other mitigation measures.

Mr. Mark Wood: There are ways that I'm sure I could suggest, or ask, that would help me lose less money. But if I'm losing a lot of money, I'm losing money, and that's just unacceptable. Businesses don't stay open when money is lost. I think there are ways you can make it smoother but—

The Vice-Chair (Ms. Ann Hoggarth): Thank you very much. We'll move to the official opposition. MPP Oosterhoff.

Mr. Sam Oosterhoff: Mark, thank you very much for taking the time out of your busy schedule to make sure you're appearing here.

I know lots of people who frequent your venue and speak very highly of it. I'm just down the road in Vineland.

Mr. Mark Wood: I appreciate it, sir.

Mr. Sam Oosterhoff: I appreciate you coming out and speaking about this very passionately, as well.

Look, let's be frank. What you're saying is, if this comes in, you will have to close your doors. You will have to shut down.

Mr. Mark Wood: I'm going to fight it with everything I can come up with.

Mr. Sam Oosterhoff: Right.

Mr. Mark Wood: I've been in this industry for a long time. I have a business degree. I don't run a business that has a lot of areas that aren't already being controlled to the best of my ability, so there's only so much more I can do to control costs. This increase is too much, too fast.

Mr. Sam Oosterhoff: I've had various meetings with constituents and with different organizations about this increase, and I completely understand your concern as to the speed of this increase, compared to the CPI, where you can predict it. I've spoken about the sort of situation that other people have brought forward.

I've had a constituent say to me, "Well, everyone is going to need to eat. People still need to eat, whether the price is expensive or whether it's low, so these restaurants saying they're going to be impacted this way is a bit unrealistic. People are still going to go out and eat on the weekends." What do you say to someone like that?

Mr. Mark Wood: People go out to eat for an experience. Food is a small part of that. I could bore you with a large training manual paragraph. Realistically, if you just needed to eat, you would go to the grocery store and go home. You go out to dine because you want to be part of an experience in a social environment, surrounded by peers in the community.

Mr. Sam Oosterhoff: So you're saying that there will still be a market, even if your prices—

Mr. Mark Wood: There will still be a market for people who want to eat. They'll go to the grocery store and they'll go home and make dinner.

1550

Mr. Sam Oosterhoff: But people won't be going dining—

Mr. Mark Wood: I can't imagine. There will be a market somewhere. I think that people can afford to pay for service—and I think the upper class will still have a market. I think there will be a lot of places that are going to have to charge to reflect this, and those who can afford it will be able to do it. More people will dine less frequently, and people in a lower-income bracket will stop dining out and be forced—not forced; they'll just have to choose to eat at home.

Everyone needs to eat. That's recession-proof; I get that. Dining out is not recession-proof.

Mr. Sam Oosterhoff: The government mentioned some of these ways that they're looking to help improve this transition, but the reality is, this isn't the only thing that small businesses have been hurting from. We've seen skyrocketing hydro rates. We've seen cap-and-trade. We've seen a lot of—

Mr. Mark Wood: In my industry alone—we don't need to talk about hydro. Everyone's got more than

enough time to fight about hydro. It's ridiculous. In broadcast rights alone in my industry, we've seen Rogers and Bell collude to raise the cost of broadcasting simple, basic channels by \$6,000 a year. I can't believe that was allowed legally, either.

We've seen a lot of things go up. We've seen gas prices go up. All of the product I buy gets shipped in from other places. All of those prices are going up. Across the board, everything in our industry continues to go up—and I'm not foolish. Inflation happens. Prices are going to go up. Our prices are going to go up to reflect that.

But this isn't the only cost that's gone up this year, nor is it the only cost going up next year. To suggest that we could just raise our prices to combat such a ridiculous increase doesn't take into account all of the other things that are still going to increase naturally in the next 12 months.

You always have to keep your eyes open for what the next one is going to be, because something is always coming and it's always happening. That's just the world we live in. But to suggest that this increase alone exists in a vacuum and isn't going to be surrounded by all these other increases as well compounds this. It's a situation where businesses can't react. Consumers don't want to react to the increases in prices that are going to have to come with this, which is always going to create a situation where less people are going out, less people are doing things, less people are spending money on anything that's service-oriented.

Service is now turning into something that only the upper class can afford, and that's not right, either. We live in a wonderful province, in a wonderful area of the province, in a beautiful country. There's no reason why people shouldn't be able to go out and enjoy those things at a level where we're not only able to employ people in service industries, because I'm potentially—I'm not potentially; I'm going to lay off, cut back hours and fire people immediately as of January 1. If anybody wants to know who those people are and give them a job, you give me a shout and let me know.

Mr. Sam Oosterhoff: Wow.

Toby, did you have any other questions?

The Vice-Chair (Ms. Ann Hoggarth): MPP Barrett?

Mr. Toby Barrett: I'm fine, thanks.

Mr. Sam Oosterhoff: Thank you very much.

The Vice-Chair (Ms. Ann Hoggarth): No? We'll move to the third party. MPP Forster.

Ms. Cindy Forster: Thank you for being here and sharing your story.

We've heard over the past—I guess it's been eight days of hearings, today—particularly the impact on smaller businesses. Maybe not so much have we had individual presentations from larger businesses or chains of businesses, but we heard about the trickle-up effect of employees paid higher than \$15 an hour now. This is the first time, really, that somebody has talked about the trickle-down effect of all the other costs that actually are going to increase: transportation of the product you use, because—

Mr. Mark Wood: All of the suppliers that I use buy products and create their products using minimum wage employees. So it starts there and works its way up. It's not just my personal expenses; I'm going to have to carry the cost of the product being shipped up to me as well.

Ms. Cindy Forster: Right. Now, you didn't speak to anything other than the minimum wage. There are some other—

Mr. Mark Wood: I think there are a lot of valuable points. In a short period of time, with such a captive audience—this is the one that I can't combat. Everything else, the things that I agree with or don't agree with—I don't agree with everything that happens on a regular basis, nor does anyone. This is the one that potentially shuts my business and other businesses like mine down. It's the most important one and deserves all of the time I have available to speak about it today.

Ms. Cindy Forster: Right.

Wayne, do you have anything you want to ask?

Mr. Wayne Gates: I think it's important to hear your heart and passion. I think it's important for the committee to hear your story, quite frankly, and how we got there. It's important that you're here. I think you stumped the Liberals on what you were saying. I think we're all concerned about any kind of job loss in the province of Ontario and Niagara.

I actually enjoyed your presentation. I think it's important to hear from somebody like yourself, a young guy raising a family, who's trying to be an entrepreneur, who's got a successful restaurant right now. I know it's good. I've been there. I think it's important. It's important for the NDP to hear it, the Liberals and the Conservatives.

I'm not going to get into why I think we're in this mess. I already raised that this morning as well. But for you to come forward and have that kind of passion, I think it's important for us to hear it, so I appreciate that.

Mr. Mark Wood: I appreciate that. Thank you, sir.

The Vice-Chair (Ms. Ann Hoggarth): Thank you for your presentation. If you would like to give us a written submission, it needs to be to the Clerk by 5:30 on Friday, July 21.

NIAGARA REGIONAL LABOUR COUNCIL

The Vice-Chair (Ms. Ann Hoggarth): I'd like to call on the Niagara Regional Labour Council.

Good afternoon. Do you have a written submission?

Ms. Sue Hotte: Yes, I do.

The Vice-Chair (Ms. Ann Hoggarth): Oh, we've got it. Okay. Thank you. If you would, state your name for the official record, and your five minutes will begin.

Ms. Sue Hotte: My name is Sue Hotte. I'm the political action chair for the Niagara Regional Labour Council. I want to thank you for the opportunity to do a presentation. You do have a synopsis of what our brief will be.

The Niagara Regional Labour Council represents 55 affiliated locals and over 15,000 workers here in the Niagara region. We really want to commend the govern-

ment for its efforts to modernize Ontario's outdated labour and employment laws with the introduction of Bill 148. We've sort of been waiting over 20 years for some changes to occur.

It's a really good start, looking at employment standards and the Labour Relations Act. Overall, what we really want to see is that the whole process, the laws etc. are updated, are fair for all workers. There are just a few things that I want to talk about today.

One of them is that it's very important that we remove all exemptions from the Labour Relations Act. That means that agricultural, horticultural and domestic workers, and licensed professionals such as dental and architectural workers, are actually represented. It's important that their rights can be enforced through the employment standards process, and for many of them that's a real problem because they're not listed in the Labour Relations Act. They're at risk. They're very vulnerable. The law should be fair and it should apply to all classes of employment.

I live out in the Jordan area, and just this morning I was looking at the temporary farm workers that were out there. There are over 100 just immediately near where I live. They have very few protections, and we really need to do them right. Everybody should be protected.

The other thing I want to just quickly go through is that what we need when there's an organizing drive etc. is greater access to workplace information. At the present time, Bill 148 would provide a union access to workplace information if it can show that 20% of the workers in the bargaining unit that the OLRB determines is appropriate for collective bargaining. That's a great improvement to what's happening right now; however, there are some things that can be done to really enhance this.

First of all, the union should be receiving correct information. Therefore, it's important that the employers do give the exact number of employees that they have, so that it's not an estimate, and so that you know exactly how many part-time and full-time workers you have that; you have complete contact information including email; that you have their job classification; and that the employment status and organizational chart is part of the information that the union receives. It's already being done in the federal jurisdiction, and so this shouldn't be a big problem for the provincial jurisdiction to follow the same rule. That would really help in making sure that the process goes smoothly.

1600

We see too many times where there's a big organizational drive, such as at Niagara College, for example, where you have hundreds of people—and I've seen them—waiting in line to sign their cards and vote. Then there are problems when it gets to the board, and the boxes are tiled and that's it, and then you've got to start over again. It's very frustrating for everyone, and it certainly doesn't do well for good workplace relations with the employer.

The other thing that the labour council is very strong on is that there is—

The Acting Chair (Mrs. Cristina Martins): Thank you very much. Your time is up now.

Ms. Sue Hotte: Okay. Sorry about that.

The Acting Chair (Mrs. Cristina Martins): Not a problem. We'll start the questioning with the official opposition. Mr. Barrett, please.

Mr. Toby Barrett: Thank you for the testimony. You did, as indicated in your brief as well, kick off with a discussion about the exemptions with respect to labour legislation. As you would know, you made mention of agriculture and horticulture. They are so significant in this area, and certainly along Lake Erie—well, from here right through to Windsor. I'm about halfway down, in fruit and vegetable country, in the Norfolk area. It's a very, very significant contributor to our local economy, as is the hospitality industry and the tourism industry.

There obviously would be a serious concern with respect to people working in agriculture. They are covered by the Agricultural Employees Protection Act?

Ms. Sue Hotte: Yes.

Mr. Toby Barrett: Yes. Legislation like this is common in many countries around the world, countries that we compete with. Yes, there would be a very real concern.

I have a farm. Much of my early career was in manual labour. I have also worked in manufacturing; I'm a former Steelworker. I understand the concept of a union in a steel mill.

But it doesn't apply, in many ways, to issues of incredible weather changes. Just recently, there was a wet spring. We had a 100-year drought last year.

Even the processing, trying to do value-added with perishable items—with so much of this legislation around scheduling—feeding animals—it just wouldn't work.

Ms. Sue Hotte: I see no problem. I come from a farming background also, from northern Ontario. We have, in Niagara, farmers who have over 100 people working for them. Those workers have the right to organize if they so wish.

Mr. Toby Barrett: Yes?

Ms. Sue Hotte: In the collective bargaining process, as they're getting themselves organized to negotiate with their employer, the concerns that you brought forward would be points that they need to discuss as they're going through putting together their first collective agreement. Those are points of discussion; everybody understands that. This doesn't say that because you're having those discussions, there is going to end up being a strike or whatever.

Workers want to keep working. They want to have good working conditions. They should have the right, if they so wish, to organize in a union.

Not everybody wants to be in a union, and we understand that. Given the working conditions etc., those are points of discussion. You know that as well as I do, when we're looking at working conditions, whether it be in the school or at the steel mill, in a restaurant or wherever. It doesn't matter. They're points of discussion.

Mr. Toby Barrett: I know my colleague has a comment on another—

Mr. Sam Oosterhoff: Yes.

The Vice-Chair (Ms. Ann Hoggarth): MPP Oosterhoff.

Mr. Sam Oosterhoff: Good to see you again, Sue. How are you doing?

Ms. Sue Hotte: Yes, nice seeing you, Sam.

Mr. Sam Oosterhoff: I know you were here earlier. I saw you walk in and I was all excited to question you. I wonder if you heard the prior deputation, the fellow from Grimsby who has concerns with the impact of the minimum wage. I was wondering if you could speak to that very briefly. What would your response be to someone who says, "On January 1, I'm going to have to fire people because of the increases coming in such a drastic and expedited way"? What's your organization's perspective on this?

Ms. Sue Hotte: Right now, that gentleman—I can't remember his name, sorry—has an opportunity to look at his books—he knows what's happening; he obviously had a fair bit of information and data—to see what he can do in order to work with a \$15 minimum wage. It is workable.

I'll just digress from the labour council for a minute. I was the CFO for a small resort. When there was an increase in the minimum wage a couple of years ago, we certainly had to make changes to our pay scales, as a board. We're a very small resort, member-only, non-profit, so there's no big profit line or anything. Nobody makes any money except the workers. At that time, we also made the decision that every one of our workers would receive that increase. So it can be arranged.

The Vice-Chair (Ms. Ann Hoggarth): Thank you. We'll move to the third party, please. MPP Forster.

Ms. Cindy Forster: Thank you, Sue, for being here today. I know you were only about halfway through your presentation, so if you want to use a couple of minutes and run through the rest of your recommendations.

Ms. Sue Hotte: Okay. Real quick; sorry it took me so long there last time.

Certainly we want to see card-based certification for all sectors. Bill 148 is extending it to the temp agency industry, building trades, home care and community, but it's not extended to all sectors. We think that's certainly very important. It's fair. When workers sign their card, they're indicating that they want to join a union.

The next thing is automatic first-contract arbitration. You know what? In Niagara, we've been through one of our locals having a very prolonged strike. They joined a union. They tried to negotiate for almost two years to get a collective agreement, and then they had to go on strike. The strike was very prolonged. We're seeing that quite often. They still had some difficulties.

Definitely, we need to have first-contract arbitration. It needs to be organized in such a way that it is very efficient and deals with getting that first contract that the new bargaining unit needs. That way, what you're doing is really eliminating a lot of strife in the workplace and

all the upheavals that occur in those people's lives. Depending on who the unit serves—in this case it was home care, but it could be schools or children or elderly care—all those people are impacted tremendously because there's a big upheaval in what's going on in their care.

The other thing that we are very strong about is that there should be no replacement workers, known as scabs. When there's a strike or a lockout, that's it. Nothing happens in that workplace. It can lead to some very difficult situations, and we have seen that people who are on strike—that's their livelihood. They see someone coming and taking their job. Bill 148 should prevent the use of replacement workers during strikes and lockouts.

1610

In terms of successor rights for all contracted services: Those employers who subcontract their services aren't bound by successor rights legislation when a business or a portion of it is sold. The result is that unionized contract workers lose their collective agreement and their bargaining rights. Bill 148 should extend successor rights to the building service—sorry; they have extended the rights to the building service industry, but it should go to all of them. Supposing you've been subcontracting food services at Brock University, for example, and the contract is given to someone else. Well, all those workers should have successor rights. They shouldn't be put at risk.

Ms. Cindy Forster: Sue, can we just take a minute to ask you a question? MPP Gates has a question for you.

The Vice-Chair (Ms. Ann Hoggarth): MPP Gates.

Mr. Wayne Gates: Today we're playing catch-up because for eight years, even though inflation was running pretty good in the province of Ontario, the PC Party never raised the minimum wage once. Are you aware of that?

Ms. Sue Hotte: Yes, I am.

Mr. Wayne Gates: Okay. On your first-contract arbitration: The place you were talking about I already raised today: CarePartners—mostly women, and mostly affecting seniors who needed their PSW to come to their house and take care of them. They decided to put them on strike rather than get a first collective agreement—a company, by the way, that was being paid almost a million dollars.

I want the Liberals to listen to this. I know it's late in the day and it's tough for them to pay attention.

They were prohibited—replacement workers went in there and replaced those workers. That forced the strike to last 10 months. That's what forced it. So I think the fact that nowhere in—

The Vice-Chair (Ms. Ann Hoggarth): Thank you. We'll move to the government—

Mr. Wayne Gates: I need another five minutes.

The Vice-Chair (Ms. Ann Hoggarth): Everybody does.

MPP Martins.

Mrs. Cristina Martins: Good afternoon, Sue. Thank you for being here.

I wanted to also thank my colleague from across the way, Mr. Gates, for reminding everyone here today that there was a freeze on the minimum wage for eight-plus years when the Conservatives were in power.

It is this government that has actually been able to raise the minimum wage to where it is today—with plans to, obviously, increase minimum wage.

I said this earlier—and we still have Lisa here, who presented earlier this afternoon: Many of the employees you represent are perhaps newcomers, people who don't necessarily have English as a first language—many women, as well. Can you speak a little bit to what the increase in minimum wage will mean for these women who often have to have two, three, four jobs to make ends meet, who have to juggle things—often single moms as well?

Ms. Sue Hotte: It's tremendous; there's no two ways about it. All you have to do is look at all the food programs in the region and look at all the churches that are offering supper and lunch programs and see who is there. It's families who are there, children who are there. Go to the schools and look at what kinds of lunch programs they do, what kinds of breakfast programs they have because the cupboards are bare. It is huge.

In Niagara, a lot of low-income earners cannot afford to have an apartment. So where do you see them? You see them in hotel rooms. This place is inundated with hotels—small hotels and some larger hotels, not as fancy as this one. You have people living in those. You have two, three people living in a room that has a little bar fridge and a little one- or two-plate hot stove. This is what they're trying to make a go at because they don't have the money—they don't have the money for school programs; they don't have the money for extra clothes.

Who do you see going to Value Village, Goodwill, all those places? You're going to see large families. You're going to see single moms. You're going to see dads. You're going to see young people. They're there because they don't have the money to go and spend to get something even in a really inexpensive place. It makes a huge, huge difference.

There is no one here sitting at this table who is one paycheque away from not having any food in their cupboard. I have seen kitchens where, when you open the cupboard, there is nothing in them. So yes, raising that minimum wage is huge, and making sure that people go from part-time to full-time is huge, because they can make more than \$18,000, \$20,000, \$22,000. Here in Niagara, you need at least \$30,000 a year to live. A heck of a lot of people don't make \$30,000 a year.

Increasing the minimum wage is important. Increasing the minimum wage means there's a little bit more money going into all of the small businesses. It means that maybe I have an opportunity to go out for breakfast. I could go for breakfast because it's six bucks or something, and then I can bring the family.

Mrs. Cristina Martins: To use the words from an earlier presenter, from Lisa, poverty is about the human experience. Raising the minimum wage would provide

that human experience to the people here in Niagara and across Ontario—the ones that you referenced who are living in a hotel room with an empty fridge, regardless of the size of the fridge.

Ms. Sue Hotte: That's right.

Mrs. Cristina Martins: I think you actually mentioned it in your opening letter here, where you're commending the government on its efforts to "modernize Ontario's outdated labour and employment laws." We know that it's been over 25 years since we've done this, and so the bill does speak to other things aside from the minimum wage. One of them is scheduling.

I referenced earlier that we were out for dinner just up the street here on Clifton Hill and it was a young chap who served us. He's at university, Western University, and this is his home. This is his part-time job, so he's doing this over the summertime as a student. I probably remember—

The Vice-Chair (Ms. Ann Hoggarth): Thank you.

Mrs. Cristina Martins: I needed five extra minutes.

The Vice-Chair (Ms. Ann Hoggarth): Everybody needs five extra minutes.

Thank you very much for your presentation. If you would like to submit another written submission, it needs to be to the Clerk of the Committee by 5:30 on Friday, July 21. Thank you.

Ms. Sue Hotte: Thank you very much. Bye-bye.

ONTARIO NETWORK OF INJURED WORKERS GROUPS

The Vice-Chair (Ms. Ann Hoggarth): I call upon the Ontario Network of Injured Workers Groups.

Do you have a submission to hand out, sir?

Mr. Willy Noiles: Yes.

The Vice-Chair (Ms. Ann Hoggarth): If you could identify yourself for the official record, then your five minutes starts.

Mr. Willy Noiles: Yes, good afternoon. I'm Willy Noiles. I'm the president of the Ontario Network of Injured Workers Groups and a St. Catharines resident.

ONIWG includes 22 local support groups in communities from Ottawa to Windsor and Niagara to Thunder Bay. We're the organization representing injured workers in Ontario for the last 26 years. Our local groups provide support and education to injured workers in their communities, while the ONIWG board is the political and advocacy arm. The board is selected by delegates from those local groups.

Unfortunately, to my knowledge, I'm the only injured worker who has been invited to present. Most, if not all, of our local groups requested a chance to speak in their local communities, but did not receive standing. This is very disappointing as I'm quite sure that the Niagara chamber of commerce, for instance, wasn't the only chamber of commerce granted a chance to speak during the eight days.

As an organization, ONIWG has discussed a minimum wage increase numerous times. We support a \$15 mini-

um wage 100% as it's only fair that low-wage earners working full-time make above the poverty line.

We are concerned, however, that it doesn't reach that \$15 an hour until after the next election. Dependent upon what Ontarians decide next June, we worry that low-wage earners may not see an increase beyond January 2018's \$14-an-hour minimum wage.

1620

But our chief concern is that unless changes are made at the Workplace Safety and Insurance Board, thousands of permanently disabled injured workers will see their benefits cut on January 1, 2018 and 2019, provided that \$15 becomes a reality. How can one set of workers lose while the rest gain? Because of an insidious mechanism that was introduced in early 1990 that allows WSIB to deem how much a permanently disabled injured worker can receive in loss-of-earnings benefits.

Instead of basing LOE benefits on what someone is actually earning, the board deems or pretends injured workers have been able to return to some type of full-time employment after "recovering" from their injury. WSIB dreams up a phantom job it claims this worker can work at and takes away the wages it claims the worker is earning, leaving them with little or no compensation benefits, regardless of whether they're employed or not.

By way of example: Delores was a factory worker earning \$20 an hour, but because of a workplace accident she's unable to return to her old job. WSIB sees few options for retraining her, given her age and education. They think, however, that she could work as a customer service rep at minimum wage without much retraining. Delores's LOE benefits are based on the difference between the \$20 she had been earning before and the current minimum wage of \$11.40. Delores's LOE benefits would thus be \$218 weekly in this example.

This wouldn't be so bad if Delores was actually working and earning that \$11.40 an hour. But for a number of reasons, Delores and many other injured workers are not employed. And even though we know a good 49% of disabled individuals are unemployed, this doesn't matter to the WSIB, because they think Delores is making \$11.40 an hour working full-time at some fictitious job. In reality though, Delores does not have a job and is trying to survive on \$218 a week. Because of this minimal income, she earns too much to be eligible for Ontario Works. When the minimum wage increases to \$15 an hour, Delores's WSIB cheque will be reduced to \$127 a week, forcing her onto social assistance. Hopefully, you can appreciate the impact of the minimum wage increase for Delores and other injured workers like her.

Last year, about 54,000 workers were deemed to be working at some type of full-time job at rates that are usually around the minimum wage. While some of those 54,000 are working, most, unfortunately, are not, the result being that unless this deeming provision is changed or tackled, the celebration of increasing the minimum wage to a more livable wage will see more injured workers—

The Vice-Chair (Ms. Ann Hoggarth): Thank you. This round will begin with the third party. MPP Forster.

Ms. Cindy Forster: Thank you, Willy, for being here. Please finish your presentation.

Mr. Willy Noiles: Okay—more will be forced onto social assistance, where too many have already had to go.

Aside from the fact that workers' compensation was designed to prevent injured workers from becoming a drain on the public purse, the long and short of it is that while you'll be rightfully cheering over a \$14 or \$15 minimum wage, thousands of injured workers will see a decrease in earnings. Don't let this become a black eye on the government's face.

In fact, the only winner if changes aren't made to "deeming" is the WSIB, who won't have to pay out as much in benefits. Like low-wage earners, injured workers just want some fairness.

Thank you, Cindy.

Ms. Cindy Forster: You're welcome. So there are 54,000 injured workers?

Mr. Willy Noiles: Just this last year.

Ms. Cindy Forster: Just this last year. And is there any sense of how many of those workers are deemed to be working in some pretend job?

Mr. Willy Noiles: Most of them.

Ms. Cindy Forster: Most of them?

Mr. Willy Noiles: Yes.

Ms. Cindy Forster: I know this is an issue, not only in private sector jobs, but in public sector jobs. Having represented nurses for many years here in Niagara and across the province—similar situations would happen to them, where a nurse who had a severe back injury and could not any longer work the front line and perhaps no available jobs, or after being re-employed in some other job in a hospital or in the community for a year or two, the employer says, "I can't do this anymore" kind of thing.

I've had nurses deemed to be able to work in a doctor's office making \$25 an hour or making \$22 an hour at Telehealth, when in reality they don't have a job because they weren't able to obtain a job in a doctor's office, certainly not at \$25 an hour, nor were they able to get a job with Telehealth or in any of those situations.

Having people living below the poverty line, at the end of the day, who were making \$30 and \$40 an hour to start with—I truly sympathize with lower-wage earners, who find themselves in that situation as well.

I know that your injured workers' association has been lobbying the government for some of these changes, so I know we've heard this issue. Although your association wasn't on the agenda in a variety of places across the province, this issue came up at almost every venue through either another union or through a labour council. I think the message has been clear that something needs to change under the WSIB legislation to make sure that there isn't further injury to these workers, because injured workers who had gainful employment and were injured on the job should not be living or subsisting on Ontario Works or on ODSP.

Do you have anything else that you'd like to add?

Mr. Willy Noiles: Basically, the way that workers' compensation was designed was that these workers

should never be on social assistance in the first place. They should never be draining the public purse. That responsibility belongs to WSIB. But, unfortunately, WSIB is looking at every way they can cut the benefits they're paying out, so instead they're essentially off-loading their responsibility onto the province. I don't think that's fair. It's not fair to the province, and it's not fair to those workers.

We're talking about people that, in many cases, were earning \$25 to \$30 an hour. They were making a decent wage, and then suddenly, because of a workplace accident that's not their fault to begin with, they're now forced onto either Ontario Works, or if they're lucky, Ontario Disability Support Program. Of course the marriage usually falls apart; they lose the house. All of that because of an injury, and that shouldn't be the case.

Of course, if the minimum wage goes up—which is great—it has the side effect of smacking those injured workers even harder.

The Vice-Chair (Ms. Ann Hoggarth): Thank you, sir. We move to the government. MPP Martins.

Mrs. Cristina Martins: Thank you, Willy, for being here this afternoon and sharing your story and the concerns of those that you represent.

To my colleague MPP Forster's point: You may have been the only union of injured workers that actually presented, but we have heard this in almost every city where we have stopped.

Either yourself or anyone else that would like to submit any type of deputation, you all have until July 21 at 5:30 p.m.—not 5:31, I'm told by our Clerk here—to make sure that that happens.

I wanted to thank you for sharing your thoughts on WSIB. We are listening. This is a piece of legislation that hasn't been touched in over 25 years. We are doing this in a very unprecedented way. We normally go out into Ontario and into the communities to ask for feedback after second reading, and this is only after first reading.

We appreciate the comments that you have raised here today. We'll make sure that we will be bringing that back to the Ministry of Labour.

1630

In the meantime, is there anything else that you can speak to me about or say to everyone around the table here on what it is that we're proposing with some of the changes in Bill 148?

Mr. Willy Noiles: The one thing that we have been looking at—and we'll probably be putting it in our submission—is there need to be tougher regulations around the whole idea of these temp agencies. If a worker is injured—and unfortunately, we don't have the exact statistics for Canada, but we know in the US, for instance, that the vast majority of temp agency workers end up being injured on the job because they're usually put into the more risky jobs, because you don't want to put your regular workers there. But if a worker is injured, it doesn't impact the rate of that company where they were working; it impacts the rates of the temp agency. We think it should actually impact both equally, since they're both the worker's employer.

But more importantly, the way the whole system works out is that if a temp agency worker is injured, their benefits are going to be based on an average of what they were earning over the last year. In most cases, it's probably not going to be full-time because it's basically on-call. So a worker could really be impacted, and, of course, the employer, which is the temp agency, has no responsibility to take that worker back after they're injured.

A temp agency injured worker is probably the most vulnerable of all injured workers, unfortunately.

Mrs. Cristina Martins: Can you speak more specifically, perhaps, to some of the provisions that we're making with this bill, whether it's around scheduling, whether it's around the minimum wage, card-based certification?

Mr. Willy Noiles: Definitely we need card-based certification; I'm not completely versed in that. We definitely believe that there should be advance scheduling. If the employer cancels for whatever reason within 48 hours, the worker should at least receive three hours' worth of pay. Unfortunately, having a worker scheduled—they've basically set aside time from their own life, and if the employer cancels at the last minute, that employee is now out money that they could have had. So they at least should get three hours' pay in that respect.

Mrs. Cristina Martins: I'm not sure how much time I have, but earlier, I was referring to the server up the street on Clifton Hill, a young student at Queen's who is back home here in Niagara Falls doing his serving at a chain restaurant. Of course, as a student, he's going to want to take any shift. For him, "Come in today," "Come in later tonight," he's cool with that. He's okay with that. But I asked him, "How far in advance do you get your schedule?" He said, "We got it today," so that was yesterday, "for starting Sunday, but usually it's Wednesday or Thursday."

He's okay because he's a student. This is what he's home to do right now. But I'm thinking of that single mom who has to—

The Vice-Chair (Ms. Ann Hoggarth): Thank you. We'll go to the official opposition. MPP Oosterhoff.

Mr. Willy Noiles: You tried.

Mr. Sam Oosterhoff: My apologies. I didn't do it.

Willy, thank you very much for taking the time to come forward to represent the Ontario Network of Injured Workers Groups. My apologies that they were not able to present before the committee at more hearings. I assure you that the committee will take into consideration and read presentations as well that are brought forward in a written format.

I wanted to briefly ask you to explain a little more your concerns with the lack of changes that are being made to the Workplace Safety and Insurance Board. This theme of unintended consequences seems to be a theme that we're hearing throughout the committee's deputations today—I'm not sure about other days on the committee as well—people coming forward and saying, "I understand the intent behind this bill, it seems to have

a good intent, but what about the unforeseen impacts that this could have on people?" I think your example is something that I hadn't even thought about at all, and it's something that is very relevant, if you're actually doing more damage than good in some of these situations.

Could you just explain a little more about what some of the changes should be and how those could be put into effect?

Mr. Willy Noiles: Definitely the deeming aspect has to be taken care of. There's no two ways about it. If you're going to have loss-of-earnings benefits, it should be based on what they're actually earning, not on some fictitious job that you believe they could do. All workers want to get back to work. Despite some beliefs out there, injured workers would rather be working than at home on pain pills, for instance.

Mr. Sam Oosterhoff: Absolutely.

Mr. Willy Noiles: Unfortunately, in many cases, they can't, or there are too many employers that are like, "They've already been injured once. Don't want to touch that guy." Or there is the aspect that they'll have to make modifications and that will be too expensive. We all know this because even the minister for accessibility has come across these problems out there. That's why almost half of disabled people are unemployed.

It should be based on what they're actually earning instead of the deemed aspect. That would take care of the unintended consequence with the minimum wage going up but injured workers going down. That would be one thing.

The other problem that we run into with the WSIB lately is the idea that benefits are being cut because of a pre-existing condition. It never impacted the worker up until now. They'll take an X-ray of the injured worker and find out there's something wrong with their back. It's never impacted their job, but they now see something that they can say was the reason for the injury, so therefore, "We can cut the amount of benefits we were going to give you." That's a problem.

I guess a third problem that we see is that the WSIB relies too much on these paper doctors or doctors who have never met the patient instead of the employee's own treating physicians. Far too often, the treating physicians' opinions are ignored in favour of these high-priced doctors who never really meet the patient.

Mr. Sam Oosterhoff: Willy, I'd love to ask you more questions, but unfortunately, due to the limited time, I'm going to pass it along to my colleague. I know he also has some—

The Vice-Chair (Ms. Ann Hoggarth): MPP Barrett.

Mr. Toby Barrett: Thanks. We're probably running short.

This is really valuable. You've introduced the Workers' Compensation Act into the mix, in conjunction with the Employment Standards Act and the Labour Relations Act. I don't know whether this has come up this week or not. You talk about half the people in the WSIB not working. It sounds like half are working, and that sounds like a good thing.

We know there have been some changes. Over the last five or six years, have we seen more and more WSIB—

The Vice-Chair (Ms. Ann Hoggarth): Thank you.

Mr. Toby Barrett: I'm sorry.

The Vice-Chair (Ms. Ann Hoggarth): Thank you, sir. If you would like to submit a further submission to the Clerk—

Mr. Willy Noiles: By 5:30 on Friday, right?

The Vice-Chair (Ms. Ann Hoggarth): Good for you. Thank you.

Mr. Willy Noiles: Thank you.

The Vice-Chair (Ms. Ann Hoggarth): I'm a teacher. I love it when you can tell me what I said.

UNITED STEELWORKERS LOCAL 2010

The Vice-Chair (Ms. Ann Hoggarth): I'd like to call on USW Local Union 2010.

Do you have a written submission to hand out?

Ms. Kelly Orser: It has already been submitted, yes.

The Vice-Chair (Ms. Ann Hoggarth): Oh, he's got it. Thank you.

If you could give your names for the official record, and then we will start your five minutes.

Ms. Kelly Orser: Good afternoon. My name is Kelly Orser. I work at Queen's University and I'm here—

The Vice-Chair (Ms. Ann Hoggarth): Would you put your microphone a little closer to you, please?

Ms. Kelly Orser: A little bit closer? Sorry. I didn't want to speak too loudly.

I'm here from United Steelworkers Local 2010; Kelly Orser, president.

1640

The Vice-Chair (Ms. Ann Hoggarth): Great. Go ahead.

Ms. Kelly Orser: Thank you. I have worked at Queen's University in various roles for over 27 years. I'm currently in the position of president. We represent over 1,200 members who work as secretaries, clerks, administrators, office managers, receptionists, counsellors and other staff who perform a diverse set of jobs critical to the success of Queen's University.

We became certified with the United Steelworkers in 2010, after an organizing campaign that started formally in 2008. So it really did take us over two years to be able to organize. It took such a long time not because Queen's University employees are different than any other employees in Ontario, but because the organizing process itself, as defined by the current Labour Relations Act, makes organizing very difficult. One of the most significant barriers is the lack of workplace information that employees have access to.

I'm here today to speak about Bill 148 in one very specific area, which is about workplace information for employees and their unions during a bona fide organizing campaign. I spoke about this matter to Mr. Murray and Mr. Mitchell, the special advisers to the Changing Workplaces Review, during their consultations back in June 2015. I described how it took us well over a year and a

half just to be able to gather the information necessary to run our actual organizing campaign.

In terms of context, we're spread out across multiple campus locations in the city of Kingston, over and around 100 different buildings. Some of these employees are working inside highly secure facilities; others work in very open situations.

We work in an environment where freedom of speech and differing opinions are very widely accepted and even encouraged. Yet, the fear of engaging in open discussions and of meeting in large and small groups just to talk about unionizing was very, very prevalent during our campaign. Some of our cards were actually signed in staff bathrooms or even off-campus so that we wouldn't be seen by management. Our managers also wouldn't allow us to exchange information. We couldn't post any of our information on bulletin boards—bulletin boards where any manner of material is normally posted. We were barred from meeting on campus, except for in one small building. We were allowed to meet there, and the reason is because it was co-governed by our student government body, so it was not under the full control of the employer.

All of this begs the question: How do you reach out to over 1,000 employees in over 100 different buildings, many of them locked down day and night, to even begin the opening dialogue of organizing—something that, for us, is truly our right; we need to be able to make that choice—if we're not afforded the means to actually communicate with each other?

Bill 148 goes some way towards fixing this problem by allowing unions to apply for workplace information at the 20% support level in each proposed bargaining unit. But there are three problems at the moment with Bill 148 as currently written. The first is that the information provided is unduly restrictive—providing only an employee's phone number and email, and not the employee's mailing address. Home addresses are essential in order to ensure that a union can access employees outside the workplace, especially in cases where employees fear employer reprisal.

In addition, Bill 148 does not provide to employees and the union any information about the organizational structure of the workplace. Without this kind of information about the job duties and the organizational structure, unions and employees are forced to determine bargaining unit descriptions based only on the inherently incomplete information that they have managed to gather. This hampers the ability of employees to organize themselves and results in needless litigation before the board.

Next, Bill 148 requires a union's application for certification to exactly mirror its initial application for information. This undermines part of the purpose of providing the information in the first place, which is to give the employees and unions a better understanding of the structure of the employer's operation. Removing this unneeded restriction will permit a union—

The Vice-Chair (Ms. Ann Hoggarth): Thank you. This round of questioning will begin with the government. MPP Colle.

Mr. Mike Colle: Thank you very much for the very-well-researched presentation.

I was listening to your last three specific recommendations. Can you just complete what you were saying?

Ms. Kelly Orser: Complete the last part?

Mr. Mike Colle: Yes.

Ms. Kelly Orser: It's talking about the application for certification. It said that we need to remove this unneeded restriction and permit unions to shape their organizing drives as required and to be able to craft their own bargaining unit.

This issue of mirroring our bargaining unit to the exact application within that 12-month period can be very problematic, because things can really change within those 12 months.

Does that help to complete that?

Mr. Mike Colle: Yes, I understand now. Basically, the pre-existing conditions that the bargaining unit was formed under may have changed. Therefore, you can't really mirror it because the workplace has changed.

Ms. Kelly Orser: Yes. Twelve months is a very long period of time in this context.

Mr. Mike Colle: Yes. I also took note of the other two pieces. You said that it's important to also include the home mailing address, along with the email and phone number.

Ms. Kelly Orser: Yes.

Mr. Mike Colle: And then you would want the employer to make available the organizational structure of—

Ms. Kelly Orser: The workplace.

Mr. Mike Colle: —the workplace. That would be helpful.

Ms. Kelly Orser: Yes.

Mr. Mike Colle: Again, these types of recommendations, amendments, are what we're here to listen to, and to be considered. This is the first round of consultation. We're going to do another one in the fall.

We'll get this into the process, to be discussed and debated—the ministers, the officials etc.—to give these due consideration. We may even get back to people the second time with more explanation or clarification, because, as you know, some of these things can get very complex in terms of the wording.

Ms. Kelly Orser: Absolutely.

Mr. Mike Colle: We've got a number of these things that have been brought forward. We do appreciate that, because in this whole area of card-based certification, which is going to be expanded—I know many in the labour movement want it across the board, but I think we're at least trying in three very vulnerable areas—people who work in building maintenance, and the expanding home care field and so forth. I think it's a significant step in the right direction.

I don't know if you find this in your dealings with other workplaces, but we're finding that workplaces are now becoming very mobile. They're no longer in one set location, especially in home care and others, and you can't really expect the workers to be in the same place on any given day. It was the same thing in construction.

Ms. Kelly Orser: I think that's why the home addresses are quite critical. I certainly can't speak to home care. But in the university, we can't phone them. Our employer actually doesn't have our personal phone numbers. If you call them at their work extension, that's not allowed, to have union discussions during work time.

Even email is difficult for us. Queen's is a highly sophisticated employer. Their IT department, and the way their spamming works and all of their anti-spam, if you will—if any email is coming in from a different server—in this case, let's say the United Steelworkers server—it's going into junk and spam—

Mr. Mike Colle: If you could just sit back from the mike a bit.

Ms. Kelly Orser: Sorry. I can't figure out if I need to go forward or backward.

Mr. Mike Colle: You just have to be further away from it.

Ms. Kelly Orser: Further away? That's better? So sorry.

For us, the phone numbers and the email are not enough. Having access to that home address makes all the difference—and also for the employees who are very concerned about meeting with us on campus during lunch hours, coffee breaks, that sort of thing.

If you can't phone them and you can't get your email through, with all of the other provisions that the employer has in place—for entirely different reasons, but organizing concepts and techniques get caught up in that—it's the home address that allows us, as organizers, to meet with those employees away from the employer's property, where they can feel more comfortable and we can actually have some open dialogue. That's something—

Mr. Mike Colle: That would help.

Ms. Kelly Orser: Even in a workplace that is geographically in one place and not mobile, it's still a struggle for us.

Mr. Mike Colle: So that home address is critical, especially, as you said, with all of the blocking devices on emails.

Ms. Kelly Orser: It is.

The Vice-Chair (Ms. Ann Hoggarth): We'll move to the official opposition. MPP Barrett.

1650

Mr. Toby Barrett: Thank you for the presentation. It is interesting how this process that you described worked with the organizing. This goes back to—you're talking about 2008 when you did this, are you?

Ms. Kelly Orser: We started in 2008, and by the end of 2010.

Mr. Toby Barrett: Yes, so a number of years ago. I'm a former Steelworker, with Can Workers 35, which went over to the Steelworkers. But we worked with steel. I still have trouble getting my head around Steelworkers as, as you say, receptionists, counsellors, secretaries—

Ms. Kelly Orser: We're very diverse.

Mr. Toby Barrett: You certainly are. We've lost so much in the steel industry.

Ms. Kelly Orser: We have.

Mr. Toby Barrett: Look at Hamilton, Welland, the ongoing threats at Lake Erie Works—we've lost 250,000 manufacturing jobs. That's a lot of Steelworkers down the drain. I guess I can understand why you would be moving in on the universities, and this legislation is going to bring forward measures that make it a lot easier to organize.

There was mention made of the card-based process. I know you mentioned that people had to hide in the bathroom for this. I can't get my head around that. We get elected in a secret ballot, and that's perfect. A Liberal can say to me, "I'm going to vote for you," and I can say, "It's a secret ballot. Nobody would ever know." I still can't get my head around why a secret ballot requires people to hide in a bathroom.

Ms. Kelly Orser: For us, I think it's because we have to sign the cards. We can't do it on their home property. We can't meet with them there, so the only place that we can meet with them is on the employer's property. That leaves us trying to connect with colleagues over the lunch hour and, oddly enough, coffee breaks. Sadly, the washrooms provided privacy from management a lot of the time. It's the middle management, if they see us signing those cards—we're obviously having discussions with union organizers while we're doing that, and it can be very nerve-racking if your manager walks past the cafeteria and sees you sitting with or speaking with these people.

It comes back to the cards needing to be signed. That's the way we can show the board that we have recognition or we have enough interest, enough intent. But if we can't do it without reprisal or at least have our workers feel like there's going to be no reprisal, that's where a lot of the difficulties do come.

Mr. Toby Barrett: Then the other factor in this legislation—as I understand, it was 40% support. So this would go down to 20%?

Ms. Kelly Orser: Down to 20%.

Mr. Toby Barrett: If the 20% are in favour, you get a union?

Ms. Kelly Orser: My understanding is it's 20% just to get the list, to get the information that we need, because—

Mr. Toby Barrett: Okay. Even if 80% were against that?

Ms. Kelly Orser: At the 20% mark, that would be at the front or the outset of the organizing. We wouldn't know if the other 80% was against it because we wouldn't know who the 80% are.

Just to give you an idea, going into our organizing, we thought we had roughly 1,800 workers. That was based on a two-year-old annual budget report that the university had put out that just had round numbers. So is it 40% of 1,800? Is it 20% of 1,800? Is it exactly 1,800? If you're trying to organize for two years, how much of a moving target is that 1,800? It could be 1,600, it could be 2,000. The 20% bar, while that is helpful, is still 20% of—what? That is just the front end, right?

Once you do have the organizational information there, once you do have the list, then you know for sure how far you can go. Do you have 80% out there that maybe isn't interested? Or are they, and you just haven't been able to find them yet because they're in a hundred different buildings across the city?

Mr. Toby Barrett: We're also going to see off-site voting, phone-in voting, computer voting—

Ms. Kelly Orser: Certainly at Queen's we do some of our elections electronically already, through the Steelworkers. As university workers, we are used to that. Our senate selects people electronically. We do it, again, through the union, so—

The Vice-Chair (Ms. Ann Hoggarth): Thank you. We'll move to the third party. MPP Forster.

Ms. Cindy Forster: Thanks very much for being here today.

The employer can communicate with every employee, so in your situation, they had two years; they actually could have spoken to all 1,800 or 2,000 employees over the course of the two years.

Ms. Kelly Orser: Absolutely.

Ms. Cindy Forster: At the end of the day, you need to have those lists of information after you reach the 20% threshold so that you're on an equal playing field to talk to workers, to see whether or not they're in favour of joining a union. Then you get your card signed.

The other issue you raised is that the organizational structure of the workplace is not such that it's easy to do a campaign, and there's needless litigation. We saw that, actually, in 2016, and that issue still isn't resolved, with OPSEU trying to organize the part-time college workers. That is still in litigation at the board. In fact, in many cases, having organized in health care for a number of years, we saw lots of needless litigation. We saw lots of padding of lists, so that under the current system, on the date you filed your application and you thought you had 500 employees, there were now 600 employees because every middle manager is suddenly on the list. Then, when you've got a close vote, you're at the board for months as the employer is trying to extract these middle managers from the bargaining unit again.

Some of the recommendations that you're making I think, even under the current system, would help the process, but it would be much better—as MPP Barrett said, when you go to the ballot box to vote for me, it's a secret ballot, but when a worker wants to join a union, it's a two-step process. They've got to sign a card and then they've got to go to a secret ballot. Why is that? They should really just be able to sign that card and get on with their lives if you have whatever it is, 50% plus one or 55% of the workers signed up.

I hear your message here today. You actually raised a couple of issues that weren't raised in the past. They were larger issues like card check and things like that, but you've gone down to the specifics, which is good.

Is there anything else that you want to add?

Ms. Kelly Orser: I'd just like to emphasize again my second point about the application once you get this 20%,

and the organizational structure. That really speaks to how the union and those workers can craft their bargaining unit: who's in, who's out. The law talks about managerial confidential, but in a large workplace like Queen's University, we have different categories of employees, even all on the admin side. How do you know, even at the 20% mark, what's going to happen a year from now, and how do you craft that actual scope clause?

There needs to be a bit more discussion on that, or maybe some sort of exit point so that if the workers in the union do find themselves about 10 months out and there is a status or a category of employees that just isn't fitting for whatever reason—it could be funding; that's a huge thing for us in our sector—there is a way that all is not lost, and that it can be looked at from a fulsome perspective.

Ms. Cindy Forster: Sometimes you find out after the fact that there were people who wanted to be included that you didn't even know about; right?

Ms. Kelly Orser: We had that. When we received the list that we did get on application of certification under the current rules, there were employees on that list that we didn't even know existed. Then, all of a sudden, you have a very short period of time, and you're faced with situations where you're not really sure what to do or how to move forward, because you haven't had the chance to contemplate that. It can be very difficult with large workplaces or ones that are, let's say, more mobile or spread out.

Ms. Cindy Forster: We're going to be moving forward to clause-by-clause on August 21, so hopefully we'll be able to incorporate some of these into amendments to make sure that we capture them and make the legislation the best it can be for workers in this province.

Ms. Kelly Orser: Thank you.

The Vice-Chair (Ms. Ann Hoggarth): Thank you. The deadline to send a further written submission is 5:30 on Friday, July 21.

1700

Ms. Kelly Orser: The 21st. My understanding is that United Steelworkers will be putting in a full brief before that time.

The Vice-Chair (Ms. Ann Hoggarth): Thank you.

TIGCHELAAR BERRY FARMS

The Vice-Chair (Ms. Ann Hoggarth): I'd like to call on Tigchelaar Berry Farms.

Good afternoon, sir.

Mr. Jeff Tigchelaar: Good afternoon.

The Vice-Chair (Ms. Ann Hoggarth): If you could state your name for the official record and your five minutes will begin.

Mr. Jeff Tigchelaar: Okay. My name is Jeff Tigchelaar. I'm a farmer in Niagara. Something I don't normally do is come before people in a situation like this.

The point of my presentation today and the reason I came here is to just tell you the story and to put a bit of meat onto what this is going to do to our farm.

Maybe to give you a bit of an idea: We grow strawberries. I'm in the Vineland-Jordan area. I'm in partnership with my brother. We've been farming—took over a family farm—for many years, and have 11 kids and about 120 employees. It ranges between 80 and 120 depending on the season. Ninety per cent of our revenue comes from one crop: strawberries.

We employ five full-time employees, and the rest are seasonal. My labour costs are between 41% and 46% of my costs, so my total cost is 41% to 46% in any given year. On any given day, I have between 850 and 1,100 hours of labour.

How does that \$2.57 increase affect us? Our daily labour will go up between \$2,100 and \$2,800 per day. For our farm, that adds up to about \$300,000 annually. Some would say, "Too bad. Charge more." We'll try to do that. But the problem I have is with the increase and the way it was done.

On June 27, about four weeks ago now, or three and a half weeks, we had an 18-minute hailstorm come through the farm. You're thinking, "Good for telling me that." Over the last seven weeks, I've had seven inches of rain. Strawberries don't like hail and they don't like rain, but we've planned for that. Don't feel sorry for me.

We have a business plan. Over the last seven years, we've bought four farms. We've quadrupled in size, and we've done it based on a plan. We've committed to that plan. My mortgage payments are less than my increase in wages for next year.

Every time we went out and bought a farm, we spent a ton of time planning it. Now we're committed to farming, and with that commitment comes 80 to 120 families that come in from Mexico every year, and they are affected by us as well. They shop in Niagara. They live in Niagara for eight months.

How are we to plan for a 32% increase on 41% of my costs in an 18-month period?

That, to me, kind of puts a little bit of meat onto what's being done here to farmers. There are consequences to the industry.

Horticulture: I have neighbours who are in way worse positions than us. We grow strawberries. People love local strawberries and they'll eat them up. But if you're competing with green beans from Mexico or California or wherever they're grown, and you've got to put that beside—even though it says "Ontario" and "local," who's going to pay almost double? Nobody is. So there are a lot of consequences to the horticulture industry.

As agriculture drives the economy way more than people think, we need food security. As a country, we need to be able to supply food to our people. The more we rely on others, the worse off we are. So you guys have to think about the consequences that are happening when we put this in place over 18 months.

The Vice-Chair (Ms. Ann Hoggarth): Thank you, sir. The first round of questioning will be to the official opposition. MPP Oosterhoff.

Mr. Sam Oosterhoff: Jeff, thank you so much for taking the time to come forward and bring your heartfelt

perspective on this issue. We've heard a lot of people bring their concerns or their perspectives forward. It's very good to hear from someone who—I would like to make a little bit of an inside baseball reference to Lucas, who works in the cafeteria at Queen's Park. A couple of weeks ago, I asked him what he was doing on the week-end. He said, "I'm going down to Niagara to go berry-picking at Tigchelaar Berry Farms." The fact that people are coming from Toronto speaks very well to that desire for—

Mrs. Cristina Martins: Davenport, actually.

Mr. Sam Oosterhoff: Oh, okay.

I think you raised a really important issue, and that's that issue of unintended consequences and the impact this is going to have on food security. I wanted to thank you for that.

I wanted to ask you this: What's going to happen to that number, that 80 to 120 people who you employ seasonally? Is that going to drop? Can that drop? Or are these levels that you can't really do anything about? And what sort of impact is that going to have on your prices?

Mr. Jeff Tigchelaar: We haven't put a purposeful plan in place yet, but right now, we do intend on bringing our acreage down, reloading, to figure out how we'll be able to do it. That's the only thing we're going to do. Whether we bring in 50 to 80 instead of 80 to 120—I don't know.

As of now, we're trying to work in this increase. For us, it comes in quarts of strawberries. What do I need out of that quart? Yes, we've got to figure it out.

But it's not done yet, so let's fix it. That's my point.

Mr. Sam Oosterhoff: I'm going to pass it over.

The Vice-Chair (Ms. Ann Hoggarth): MPP Barrett.

Mr. Toby Barrett: Thank you, Chair. Thanks, Sam.

Your figures here—you're talking about up to more than a \$300,000 increase just in wages, as labour costs go up. We've heard this time and time again from other sectors, tourism and elsewhere, that much of this legislation is a job killer.

Farmers are innovative. The technology is incredible. I understand that even in the strawberry business—and I've certainly been in that business a bit, being from Norfolk. Is there experimentation, putting tracks on either side of the rows to pick manually somehow? How are you going to replace those jobs? Because we're going to lose the jobs; it's very clear.

Mr. Jeff Tigchelaar: Yes. With every action, there's a reaction. It's only a matter of time before those jobs are replaced by technology. We've been working on it ourselves in a small way, but you do see it's being driven in other countries as well.

I was going to say something, but I'm not. So, thanks.

Mr. Toby Barrett: Then again, here's one farm with, say, 130 workers maybe going to 80. I represent Norfolk county. We have well over 7,000 seasonal workers. Well over 6,000 come in from Mexico and Jamaica. It's a godsend.

The concern is, when you multiply your farm—say you bounce it over to my county, with 7,000 employees.

That is the major employer in our area. This would be devastating.

Mr. Jeff Tigchelaar: Absolutely.

Mr. Toby Barrett: We have no economic impact study. We get it farm by farm, a Tim Hortons here, a restaurant there, a bar. They bring in the figures, and we can't pull together the big picture.

1710

Mr. Jeff Tigchelaar: Yes, and for us it is going to be—I mean, will we weather it? I don't know. We'll do our very best. But is it fair and equitable?

I'm not opposed to increasing wages; I have no opposition to that. But we need to do it in a way that can be stomachached. This in itself is careless and it's chaos.

Mr. Toby Barrett: You mentioned California as a competitor. They are increasing the minimum wage to \$15—

The Vice-Chair (Ms. Ann Hoggarth): Thank you. We'll move to the third party, please. MPP Forster.

Ms. Cindy Forster: Thank you very much for being here. We've heard from a number of farm operations from Thunder Bay to Windsor, all giving us the same scenario that you have today and the impact that this is going to have on their business. Are there things that you've thought about that the government could assist you with in terms of offsets that would actually ease the implementation of a minimum wage increase, around business tax or hydro rates or employment subsidies of some sort?

Mr. Jeff Tigchelaar: Have I thought outside of slowing the implementation process? I haven't put a lot of thought into that, to be honest.

Ms. Cindy Forster: You haven't put a lot of thought.

Mr. Jeff Tigchelaar: Yes.

Ms. Cindy Forster: Because I think we have the second-highest small business tax rate in the country. I think Quebec is first and Ontario is second. Certainly there are other provinces that have found themselves in recessions in the last couple of years that have moved to decrease business taxes for small business at the same time they're implementing wage increases.

Mr. Jeff Tigchelaar: The reality is that it's going to be a moot point on the corporate tax side, but from a payroll tax standpoint, our remittances are ridiculous. How can you not look at it as a tax grab as well?

Ms. Cindy Forster: The figure that you're quoting here: Have you even included at this point increases in payroll taxes to the WSIB, CPP and those kinds of things?

Mr. Jeff Tigchelaar: No.

Ms. Cindy Forster: So that was actually a suggestion of one of the presenters somewhere—there have been a lot of them, so I can't remember where exactly: that the government immediately freeze any increases to any of those payroll taxes to assist business with—

Mr. Jeff Tigchelaar: Which would be very helpful.

Ms. Cindy Forster: Which would be very helpful, yes.

Is there anything else you'd like to add that you haven't had the opportunity to do?

Mr. Jeff Tigchelaar: I don't know. As a grower, a good shot of my produce goes into the chain stores. An increase in the minimum wage here in the horticulture industry—I'm not competing against my farmer next door. Those increases are just making that playing field uneven for us. We will be competitively affected by this.

Ms. Cindy Forster: Well, I want to say that the strawberries this year have been fantastic. I've bought them every week they were available, which was not for a very long period this year at my local farmers' market. Are you growing the everbearing strawberries?

Mr. Jeff Tigchelaar: We certainly are. You can get them at every farmers' market.

Ms. Cindy Forster: That's great. Thank you.

Mr. Jeff Tigchelaar: Thank you. I appreciate that.

The Vice-Chair (Ms. Ann Hoggarth): We'll move to the government. MPP Colle.

Mr. Mike Colle: Thank you very much, Jeff, for your family's story, really. Eleven kids, was it?

Mr. Jeff Tigchelaar: Yes.

Mr. Mike Colle: Is most of the family still involved in agriculture?

Mr. Jeff Tigchelaar: My kids are still young. My brother's kids—there happens to be only two boys, which maybe sounds a little sexist. They're going to be coming in, though.

Mr. Mike Colle: One of the reasons why we're having these province-wide hearings after first reading—usually, we have them after second—we know that changes are going to come and the changes can't really be brought about unless we hear from people like yourself, on the impacts. So that is very valuable, to get this first-hand from you, because I'm sure the members of the committee are being exposed to this face to face. I think that's very important for us. Then we pass this on to the ministry officials who are looking at this legislation, which is going to be looked at over the next number of months.

So we appreciate this input. The fact that you're saying you're going to have a very difficult time with it: We don't underestimate that difficulty, because you've got to bear it on the front line.

The seasonal workers: They're part of the federal Seasonal Agricultural Worker Program.

Mr. Jeff Tigchelaar: Correct.

Mr. Mike Colle: Right. I guess the way it's structured right now is that these seasonal workers—and most of them are offshore who come in. The rules right now are that if they come in, they have to be paid the minimum wage of the province that they work in.

Mr. Jeff Tigchelaar: Correct.

Mr. Mike Colle: That's my understanding of it, right?

Mr. Jeff Tigchelaar: Yes.

Mr. Mike Colle: So far, the seasonal worker program has worked out beneficially for your operation, right?

Mr. Jeff Tigchelaar: Absolutely. We couldn't survive without it.

Mr. Mike Colle: I think there are a lot of people in the province—not only do they not appreciate the work

that you and families like yours do to produce, whether it's strawberries or other food products, but they don't appreciate the number of people, like the seasonal workers, the thousands who are here in Ontario every year, that make this possible. They think the strawberries show up automatically, whether it be in the store or the restaurant. Sometimes I'm reminded of that reality, that it takes a lot of workers to produce tender fruit. Do you come under the tender-fruit category?

Mr. Jeff Tigchelaar: Small fruits.

Mr. Mike Colle: The small fruit category.

I think that's what you've illustrated here today, that you need those seasonal workers. If their wages are increased with the present arrangement there is, there could be a serious impact on your ability to operate the business in a reasonably profitable way, as you have been.

I know that the Minister of Agriculture, Jeff Leal—he's now the minister of small business—is actively discussing these impacts with OMAFRA because there are obviously other agricultural producers like yourself who are going through the same thing. So there are discussions going on, they have gone on and they're continuing to go on, to see what can be done and what needs to be done to basically protect your business.

I'm not saying it's going to be done to everybody's satisfaction, but there are serious discussions going on. I think over the months to come, the government will hopefully be coming up with measures that will deal with some of these real-life issues, that we don't underestimate in any way, shape or form—because it is obviously not going to be easy.

Mr. Jeff Tigchelaar: Do you feel that we need to be protected from this?

Mr. Mike Colle: Well, I think there have to be some measures, yes. I've expressed that to the minister and he agrees. That's why he's in these discussions with OMAFRA. Again, he's the Minister of Agriculture, too, so he's expressed these publicly, too. He says there need to be things put in place. So he's actively doing that, along with some small business measures that we're looking at.

It seems to be that the impact of changes—which may be good for a lot of working people who will have more disposable income and more money in their pockets to pay their rent. As you know, I'm sure your workers, the people who come from Jamaica and—

The Vice-Chair (Ms. Ann Hoggarth): Thank you.

Mr. Mike Colle: Oh, sorry.

The Vice-Chair (Ms. Ann Hoggarth): Thank you for your presentation. The deadline to send a further written submission to the Clerk is 5:30 on Friday, July 21.

Mr. Jeff Tigchelaar: Thank you.

LABOUR ISSUES COORDINATING COMMITTEE

The Vice-Chair (Ms. Ann Hoggarth): Our final presentation today is the Labour Issues Coordinating Committee.

We're passing out your submission right now. If you could state your names for the official record, and then I will start your five-minute time.

1720

Mr. Ken Forth: Thank you. My name is Kenneth E. Forth. I'm the chairman of the Labour Issues Coordinating Committee. I'm also a vegetable farmer in Hamilton.

The Labour Issues Coordinating Committee is a coalition of agriculture, commodity and farm organizations representing the interests of Ontario farm employers on labour issues.

Ontario farming is extremely diverse and carried out throughout the province. Most, but not all, of the farm workers are found in the edible and ornamental horticultural sector, which produces a thousand different products. If you drove from Toronto, you've certainly seen, in this area, grapes and tender fruit in greenhouses, which are essential to the Niagara region. For that matter, agriculture is essential to every region, but it's sure in your face here in Niagara.

The gentle touch of human hands, and the discerning mind, are needed for most of our perishable crops. Our labour costs range between 30% and 60% of variable costs, depending on the commodity.

Edible horticulture has 7,000 employers selling to a global marketplace through grocery chains. Grocery stores buy our products when it is cheaper than anywhere else in the world.

In short, we are price-takers, not price-setters. Our main competitors are in provinces and key states, like California and Florida, and Quebec in Canada, and also the Third World and developing nations of Mexico, China and India, where their labour standards, human rights issues and food-safety issues are suspect.

Farm workers allow us to reach our potential in the global marketplace. We would always like to pay better wages and have better employment standards, but we think we have some pretty good ones here in Ontario now. But for those who say, "Just pay more," they need to run their own farm.

In 2013, the Ontario government raised the minimum wage and attached an annual increase based on CPI. The Ontario government told us at the time that they wanted to depoliticize the minimum wage. There is a strong sense of betrayal with Bill 148's proposed increase in the minimum wage and expansion of standards. It's too fast and too much.

Ontario farmers want to produce agricultural products that Ontario citizens want and need. California wants to reach \$15 an hour, but by 2023. Our legislated costs take us out of the market. Businesses cannot plan, anticipate, adapt and grow. Ontario will lose sovereignty of its food supply and food safety, as well as secondary processing and, yes, thousands of jobs. If we are taken out of the market for three or four years, older farmers will quit and younger farmers will move to less-perishable, less-valued crops.

The issue is competitiveness. As an example, a study by Agri-Food Economic Systems shows that \$225

million will be added to the edible horticulture costs by 2014, which is in no way able to be recovered from the marketplace.

In my last minute or so, I'd like you to go into the imagining mode. I'd like you just to imagine for a moment that the Ontario government demands that the auto industry increase its wages by 32% over 18 months. What do we think would happen?

I want you to also imagine something else: that the public service receives a 32% increase in wages over 18 months. How are you going to balance the budget? How are you going to survive as a company called the government of Ontario?

That, ladies and gentlemen, is the position that this announcement on the minimum wage has put farmers in. They don't know what they're going to do, either. They're scared to death. Profits are already razor-thin, and they see that they'll either have to diminish the size of their farms, or some of them will quit altogether, or they'll be in trouble. I can tell you that bankers are looking at this right now, too.

Imagine one more thing. Imagine that we import all our fruits and vegetables from Third World nations that are lacking in the controls, restrictions and standards that we enjoy for Ontario-produced products.

We've used the minimum wage as an example of changes in Bill 148. All of the other features in Bill 148 are also of great concern to us. Can Ontario society afford the changes? Clearly, farming cannot, and that is why we are asking our government to work with us in achieving common interests. Thank you.

The Vice-Chair (Ms. Ann Hoggarth): Thank you. We will open this round with the third party. MPP Forster.

Ms. Cindy Forster: Thank you, gentlemen, for being here. Could you go into a little bit more detail? I've just gotten a chance to glance at your report here. The transition programming, can you go into that aspect of it?

Mr. Ken Forth: Yes. Somebody was talking with the previous speaker about transition on tax credits or something. I'm sorry, but that's not the way it's going to work. That gentleman who just spoke has to come up with \$3,000 a day. Tax credits ain't going to do it, folks; it's got to be cash.

Our proposal simply is that we would like a transition period similar to California. If you're not going to do that, if you're not going to extend it out over a four-year period, then pay us. If the minimum wage goes to \$14 on January 1, we get \$2.60 an hour rebated to us every month so we can pay our employees. The next year it goes up another dollar. Then after that, it's diminished over a three-year period so we're at \$15 an hour similar to other states and jurisdictions.

Ms. Cindy Forster: Thanks. Is there anything else that the government can do, besides tax credits, that would assist you other than that cold, hard cash subsidy that California is doing?

Mr. Ken Forth: No. If we can't pay our employees, we don't need tax credits. If we can't pay our employees,

we don't need some kind of innovation nonsense that may be given to us, because we can't use it if we can't pay the employees.

You see, we have no ability to put the price up. Our prices are determined elsewhere. Our prices are determined by the chain stores and what they can buy it cheaper at. Lots of times that product is produced in Mexico, where, by the way, the minimum wage is \$6 for 12 hours. That's 50 cents US an hour on a farm in Mexico. That's what my farm and a lot of our farms compete against.

Ms. Cindy Forster: We see more and more of that. I know when I go to the grocery store, I see products from all over the world where labour is very cheap.

Mr. Ken Forth: We still have a pickle industry in this country, a little one, but 90% of it left in 2005 for India, where they pay 16 cents an hour.

Ms. Cindy Forster: Right. We saw what happened up in your area and MPP Barrett's area up there where the tomato farmers in Leamington left and moved out of Ontario and moved into the States, where I guess more subsidies and incentives were in place for them—although we did have French's ketchup stay around, which was good news for Ontario.

Is there anything else you want to add in the couple of minutes that I have left?

Mr. Ken Forth: I don't think so. Our farmers are really annoyed; they're really afraid. We were promised CPI—we were promised that's the way wages were going to go up, and it wasn't true. You know what? Even if it wasn't true—32%, are you kidding me?

Ms. Cindy Forster: We've heard that not just from the farmers, but we certainly heard that from every sector, that that wasn't the deal that was on the table in 2014 and that the Liberals haven't kept their promises. Certainly, various sectors are annoyed—outright angry, actually. They feel very betrayed.

I thank you for your presentation today, and thank you for being here.

Mr. Ken Forth: Thank you.

The Vice-Chair (Ms. Ann Hoggarth): The government: MPP Colle.

Mr. Mike Colle: Thank you for coming today on a very serious issue. Obviously, you represent a very, very important industry, to say the least.

I just want to make a couple of comments. I find it different. I find that there are more Ontario products on the shelves and in our grocery stores, and people are buying more Foodland Ontario products. There seems to be now a final change and shift in appreciation. Rather than buying that cheap arsenic-laced Chinese garlic, they'll pay a bit more and get the Ontario garlic because they realize that it's safer. I've noticed with fruits and vegetables that people are looking at the labels. I think it's the result of all the combined partnerships we've had with agriculture in turn making people appreciate that buying local is better quality, food safety and also local jobs. I just want to put that out.

I just wanted to mention my favourite topic, and that is French's ketchup. As you know there, the old Heinz was

bought by the Berkshire hedge fund that closed it down and took off. Our good American friends, to say the least, left everybody in the lurch. Luckily, we had a local business person who went in there and got the operation going, and then French's got into the ketchup business. Lo and behold, we now have not only an appreciation of Ontario tomatoes, but the fact, is they're being processed in Toronto plus Leamington. So I think there are some good, positive signs there.

1730

But getting back to your issue, I do think this is something of serious concern. That's why there's active dialogue between our Minister of Agriculture, Mr. Leal, and OMAFRA about this impact—and it's a real impact. We don't underestimate the impact and the unintended or intended consequences. That's why we're looking at it and hoping to continue to work with farm organizations and OMAFRA to find ways of ensuring that there are some possible—as you said, hard solutions, not just window-dressing solutions. That's what's being discussed actively, just to let you know that.

Mr. Ken Forth: I think that maybe somebody in the government should have thought of these ideas. You say they're speaking at OMAF and I'm glad they're talking at OMAF; I'm glad they are. Don't you think maybe that should have been done before the announcement? “By the way, we know you're going to get hurt, and here's our remedy for it.” Don't you think they should have done that—or just throw it out there in the pool and hope you suck it up?

Mr. Mike Colle: No, but that's not true. That's why we are having these public hearings. After first reading, when a bill is introduced, there are discussions and deputations across the province. There's going to be another round of discussions and deputations in the fall, too. This is just the first round. So it's not just throwing it out there. We're listening to people and getting very, very frank responses from people.

The Vice-Chair (Ms. Ann Hoggarth): We'll move now to the official opposition. MPP Barrett.

Mr. Toby Barrett: I appreciate what MPP Colle is saying. There has to be considerable, fulsome discussion, not only around the table. Every so often, we have a farm group come forward—there have been some excellent presentations—but the Ministry of Agriculture and Food has to really wade into this and sort some of this out; they have some experts there.

I might mention, I was in a restaurant right next to the Heinz plant and you can get French's ketchup in a restaurant in Leamington.

Mr. Mike Colle: I hope it's not Heinz, that's for sure.

Mr. Toby Barrett: No, it's French's.

We hear figures. Mexico is \$6 for a 12-hour day. I've done this work. It is a 12-hour day; sometimes it's longer. So \$6 a day in Mexico equals \$180 a day in Ontario. We compete with Mexico. We've seen success with local food. This is a threat to our government's program of local food. It's a threat to student labour, and it's a threat to our offshore labour. We've heard a few

presentations as well that have questioned the farms program. I live and breathe that in Norfolk county.

I mentioned earlier we have well over 7,000 seasonal workers just in one county, and 6,000 are offshore labour. I see in your brief that across Ontario, 23% of employees are foreign workers. Certainly in Niagara here it would be much, much higher than that. I think of Essex county. Between here and Windsor, we produce hundreds of different commodities, locally grown in Ontario; commodities we can export, we can do value-added, tremendous potential. We are right in the Garden of Eden. That's why this is special. It's tough to take something like that and cram it into legislation.

We hear talk of looking at the exemption for agriculture. Agriculture has its own act, the Agricultural Employees Protection Act. There has to be much more discussion on that, beyond just around this table here.

Do you have any comment on that? Where are we going, down the road, beyond your testimony here?

Mr. Ken Forth: Well, we're always talking to politicians. We're trying to get to see the Premier.

You mentioned the foreign workers. It's not as easy for them as you might think. The foreign workers on my farm—when it first was announced, two of them came to my son and said, "What's going to happen?" My son is a pretty articulate guy, and we don't jump the gun on business. So he said, "On what?" And they said, "On this wage thing." He said, "Well, what do you expect to happen?" The Jamaican fellow said, "Will this farm be here?" And my son's answer was, "I don't know." And we don't.

Mr. Toby Barrett: This is a serious issue. It has to be a serious issue in villages in Jamaica.

Mr. Ken Forth: Well, it's a serious issue everywhere, because a farm—like, all of the farmers in Ontario—Old MacDonald doesn't exist anymore. These are farms that are complex things, and they should have five- and

10-year plans. Now we're only working on a 12-month plan. That's not a great way to run a business. That's the way it's going.

Mr. Toby Barrett: I've heard it said a number of times that the foreign worker program is one of Canada's best foreign aid programs. When you look at the wage differentials; the product that is taken back to the villages and that helps set up businesses over the winter and then to return back here—it works very well.

Mr. Ken Forth: For over 50 years.

Mr. Toby Barrett: There's one fellow in our area—there's more than one—who has worked on one farm for 40 years. He comes up every year and goes back there in the winter. Sounds kind of nice. But it's tough work.

Mr. Ken Forth: It's absolutely essential to those guys. Those guys who work on our farms are putting kids through law school, medical school. They're becoming teachers, lawyers, doctors, professors—everything—down in those foreign countries. It is big, and that's where they get it.

One guy has been in the program for 46 years, and he has an operational doctor and lawyer in his family, paid for by working on a farm in Niagara.

Mr. Toby Barrett: Our industry—we can accommodate increases in wages. We match the increases. Just a comment on that?

The Vice-Chair (Ms. Ann Hoggarth): Thank you.

Mr. Ken Forth: Overtime.

The Vice-Chair (Ms. Ann Hoggarth): Thank you for your presentation. The deadline for sending in a further written submission to the Clerk of the Committee is 5:30 on Friday, July 21.

Mr. Ken Forth: Thank you.

The Vice-Chair (Ms. Ann Hoggarth): This committee is adjourned until tomorrow morning at 9:30 in Hamilton.

The committee adjourned at 1737.

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